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Southern
Tennessee
Medical Ctr.

CN1402-005

CN1402-005

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SOUTHERN TENN MEDICAL CTR
WINCHESTER, TN 37398-0000

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Three thousand dollars & no/100

TO THE ORDER OF
Tennessee Health Services Development Agency
Andrew Jackson Building, 9th Floor
502 Deadrick Street
Nashville, TN 37243

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February 13, 2014

Melanie Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application Submittal
Southern Tennessee Medical Center--Mobile PET/CT Service
Winchester, Franklin County

Dear Mrs. Hill:

This letter transmits an original and two copies of the subject application. The affidavit and filing fee are enclosed.

I am the contact person for this project. Please advise me of any additional information you may need. We look forward to working with the Agency on this project.

Respectfully,


John Wellborn
Consultant

**SOUTHERN TENNESSEE
MEDICAL CENTER**

**CERTIFICATE OF NEED APPLICATION
TO REINSTATE
MOBILE PET/CT SERVICES**

**Winchester, Franklin County
Filed February, 2014**

PART A

1. Name of Facility, Agency, or Institution

Southern Tennessee Medical Center		
<i>Name</i>		
185 Hospital Road	Franklin	
<i>Street or Route</i>	<i>County</i>	
Winchester	TN	37398
<i>City</i>	<i>State</i>	<i>Zip Code</i>

2. Contact Person Available for Responses to Questions

John Wellborn		Consultant	
<i>Name</i>		<i>Title</i>	
Development Support Group		jwdsg@comcast.net	
<i>Company Name</i>		<i>E-Mail Address</i>	
4219 Hillsboro Road, Suite 210	Nashville	TN	37215
<i>Street or Route</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>
CON Consultant	615-665-2022	615-665-2042	
<i>Association With Owner</i>	<i>Phone Number</i>	<i>Fax Number</i>	

3. Owner of the Facility, Agency, or Institution

Southern Tennessee Medical Center, LLC		
<i>Name</i>		
Same as in #1 above		
<i>Street or Route</i>		<i>County</i>
Winchester	TN	37398
<i>City</i>	<i>State</i>	<i>Zip Code</i>

4. Type of Ownership or Control (Check One)

A. Sole Proprietorship	<input type="checkbox"/>	F. Government (State of TN or Political Subdivision)	<input type="checkbox"/>
B. Partnership	<input type="checkbox"/>	G. Joint Venture	<input type="checkbox"/>
C. Limited Partnership	<input type="checkbox"/>	H. Limited Liability Company	<input checked="" type="checkbox"/>
D. Corporation (For-Profit)	<input type="checkbox"/>	I. Other (Specify):	<input type="checkbox"/>
E. Corporation (Not-for-Profit)	<input type="checkbox"/>		<input type="checkbox"/>

**PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS**

5. Name of Management/Operating Entity (If Applicable) **NA**

<i>Name</i>		
<i>Street or Route</i>		<i>County</i>
<i>City</i>	<i>State</i>	<i>Zip Code</i>

6. Legal Interest in the Site of the Institution (Check One)

A. Ownership	x	D. Option to Lease	
B. Option to Purchase		E. Other (Specify):	
C. Lease of ____ Years			

7. Type of Institution (Check as appropriate—more than one may apply)

A. Hospital (Specify): General	x	I. Nursing Home	
B. Ambulatory Surgical Treatment Center (ASTC) Multi-Specialty		J. Outpatient Diagnostic Center	
C. ASTC, Single Specialty		K. Recuperation Center	
D. Home Health Agency		L. Rehabilitation Center	
E. Hospice		M. Residential Hospice	
F. Mental Health Hospital		N. Non-Residential Methadone	
G. Mental Health Residential Facility		O. Birthing Center	
H. Mental Retardation Institutional Habilitation Facility (ICF/MR)		P. Other Outpatient Facility (Specify):	
		Q. Other (Specify):	

8. Purpose of Review (Check as appropriate—more than one may apply)

		G. Change in Bed Complement Please underline the type of Change: Increase, Decrease, Designation, Distribution, Conversion, Relocation	
A. New Institution		H. Change of Location	
B. Replacement/Existing Facility		I. Other (Specify):	
C. Modification/Existing Facility			
D. Initiation of Health Care Service as defined in TCA Sec 68-11-1607(4) (Specify) Mobile PET/CT	x		
E. Discontinuance of OB Service			
F. Acquisition of Equipment			

9. Bed Complement Data (Southern TN Medical Center @ Winchester)
(Please indicate current and proposed distribution and certification of facility beds.)

	Current Licensed Beds	CON approved beds (not in service)	Staffed Beds	Beds Proposed (Change)	TOTAL Beds at Completion
A. Medical					
B. Surgical	84		54	NC	75
C. Long Term Care Hosp.					
D. Obsetrical	13		12	NC	12
E. ICU/CCU	10				
F. Neonatal					
G. Pediatric					
H. Adult Psychiatric					
I. Geriatric Psychiatric	12		12	NC	12
J. Child/Adolesc. Psych.					
K. Rehabilitation	12		12	NC	12
L. Nursing Facility (non-Medicaid certified)					
M. Nursing Facility Lev. 1 (Medicaid only)					
N. Nursing Facility Lev. 2 (Medicare only)					
O Nursing Facility Lev. 2 (dually certified for Medicare & Medicaid)	26		26	NC	26
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child/Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL	131 Hosp	NA	90 Hosp	NC	131 Hosp
	26 SNF		26 SNF		26 SNF

10. Medicare Provider Number:	44-058
Certification Type:	acute care hospital
11. Medicaid Provider Number:	044-0058
Certification Type:	acute care hospital

Note: Licensed Beds here are part of consolidated 152-bed license at both locations.

9. Bed Complement Data (Emerald Hodgson Hospital @ Sewanee)
(Please indicate current and proposed distribution and certification of facility beds.)

	Current Licensed Beds	CON approved beds (not in service)	Staffed Beds	Beds Proposed (Change)	TOTAL Beds at Completion
A. Medical	21		21	NC	21
B. Surgical					
C. Long Term Care Hosp.					
D. Obsetrical					
E. ICU/CCU					
F. Neonatal					
G. Pediatric					
H. Adult Psychiatric					
I. Geriatric Psychiatric					
J. Child/Adolesc. Psych.					
K. Rehabilitation					
L. Nursing Facility (non-Medicaid certified)					
M. Nursing Facility Lev. 1 (Medicaid only)					
N. Nursing Facility Lev. 2 (Medicare only)					
O Nursing Facility Lev. 2 (dually certified)	20		20	NC	20
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child/Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL	21 Hosp.	NA	21 Hosp	NC	21 Hosp.
	20 SNF		20 SNF		20 SNF

10. Medicare Provider Number:	44-058
Certification Type:	acute care hospital
11. Medicaid Provider Number:	044-0058
Certification Type:	acute care hospital

Note: Licensed Beds here are part of consolidated 152-bed license at both locations.

12. & 13. See page 4

A.12. IF THIS IS A NEW FACILITY, WILL CERTIFICATION BE SOUGHT FOR MEDICARE AND/OR MEDICAID?

This is an existing hospital that is already certified to participate in both programs.

A.13. IDENTIFY ALL TENNCARE MANAGED CARE ORGANIZATIONS / BEHAVIORAL HEALTH ORGANIZATIONS (MCO'S/BHO'S) OPERATING IN THE PROPOSED SERVICE AREA. WILL THIS PROJECT INVOLVE THE TREATMENT OF TENNCARE PARTICIPANTS? Yes IF THE RESPONSE TO THIS ITEM IS YES, PLEASE IDENTIFY ALL MCO'S WITH WHICH THE APPLICANT HAS CONTRACTED OR PLANS TO CONTRACT.

DISCUSS ANY OUT-OF-NETWORK RELATIONSHIPS IN PLACE WITH MCO'S/BHO'S IN THE AREA.

Table One: Contractual Relationships with Service Area MCO's	
Available TennCare MCO's	Applicant's Relationship
AmeriGroup	contracted
United Healthcare Community Plan	contracted
Select	contracted

SECTION B: PROJECT DESCRIPTION
B.I. PROVIDE A BRIEF EXECUTIVE SUMMARY OF THE PROJECT NOT TO EXCEED TWO PAGES. TOPICS TO BE INCLUDED IN THE EXECUTIVE SUMMARY ARE A BRIEF DESCRIPTION OF PROPOSED SERVICES AND EQUIPMENT, OWNERSHIP STRUCTURE, SERVICE AREA, NEED, EXISTING RESOURCES, PROJECT COST, FUNDING, FINANCIAL FEASIBILITY AND STAFFING.

Proposed Services and Equipment

- Southern Tennessee Medical Center (STMC) in Winchester (Franklin County) is applying to reinstate its mobile PET/CT service--which was granted CON approval in March 2003 (CN0212-124), but was discontinued in February 2007. The reasons for discontinuation were medical staff departures that resulted in utilization reductions, a mobile vendor unwilling to continue coming to the hospital for a reduced number of procedures, and lack of a local radiologist comfortable with interpreting PET studies.
- This project is to resume offering PET/CT service, through a contract with Alliance Imaging, one of the nation's largest provider of mobile services to hospitals. Alliance will provide staffed mobile PET/CT services on the STMC campus, at STMC's existing mobile services dock, one half-day every week. The currently planned time of service will be every Monday afternoon from 1-5 pm.
- The currently identified equipment to be brought to STMC is a GE Discovery ST8 PET/CT scanner. Alliance will provide a qualified PET/CT technologist to assist the local Medical Director in providing the test.

Ownership Structure

- The applicant, Southern Tennessee Medical Center, LLC, is owned by LifePoint Hospitals, Inc, through two other subsidiaries wholly owned by Lifepoint Hospitals, Inc.
- Attachment A.4 contains more details, an organization chart, and information on the Tennessee facilities owned by this facility's parent organization.

Service Area

- STMC is the largest acute care facility in LifePoint's Southern Tennessee Regional Health System. That four-hospital system is composed of Southern Tennessee Medical Center (Winchester / Franklin County), Emerald-Hodgson Hospital (Sewanee / Franklin County), Crockett Hospital (Lawrenceburg / Lawrence County), and Hillside Hospital (Pulaski / Giles County). Each is a rural hospital that is the only hospital in its county. All four are Federally-designated disproportionate share providers, due to very high levels of Medicare and TennCare/Medicaid services.
- The primary service area of the project will be Franklin and Grundy Counties. There is no other PET/CT service available in these two counties. Secondary service area counties will include Lawrence, Giles, Coffee, and Lincoln Counties.

Need

- PET/CT is an important outpatient clinical test utilized by several medical specialties.
- Mobile PET/CT was once approved for this hospital, and was offered until medical staff changes in 2006-2007 lowered utilization and the vendor suspended the service. Now there is no fixed or mobile PET service now located in the service area.
- Almost 500 patients each year are leaving the four primary and secondary service area counties to obtain PET tests.
- STMC physicians estimate referring 216 patients annually to a mobile unit at STMC that is available weekly and offers expert local interpretation for speed of diagnosis. The combined medical staffs of the four hospitals in STMC's Regional Health System estimate 324 patient referrals to this unit annually.
- The applicant very conservatively projects an annual retention rate of at least 175 PET/CT procedures by Year Two. That projection exceeds the State Health Plan CON criterion of 160 procedures annually for service operated 26 days per year.
- Restoring on-site availability of this service will significantly increase its accessibility for local patients needing to obtain PET/CT examinations close to home.

Existing Resources

- There are no PET/CT services located in the two-county primary service area. There are a mobile and a fixed PET/CT service at two hospitals in the secondary service area (at Manchester and Tullahoma in Coffee County).

Project Cost, Funding, Financial Feasibility, Staffing

- After the CON process, re-starting this service will be financially risk-free. It requires no capital expenditure for property, plant, or equipment. The hospital's mobile services pad has all the utilities in place needed to resume this service. (The CON project cost is \$753,000 only because HSDA rules require it to include fees paid to the vendor during the term of the contract, as well as the market value of the vendor's mobile unit).
- The project is financially feasible. The mobile service vendor will be compensated by the applicant at a fixed fee per procedure, with no minimum volume requirement. The proposed service will have a positive financial margin. The hospital's gross charges for PET/CT scans will be highly competitive compared to those of providers who are currently serving patients from STMC's service area.
- The vendor will provide the one certified PET/CT tech needed to assist in the procedure. The service will be under the medical direction of Raymond Capps, M.D., the hospital's radiologist, who is double Board-certified in Neurology and Radiology.

B.II. PROVIDE A DETAILED NARRATIVE OF THE PROJECT BY ADDRESSING THE FOLLOWING ITEMS AS THEY RELATE TO THE PROPOSAL.

B.II.A. DESCRIBE THE CONSTRUCTION, MODIFICATION AND/OR RENOVATION OF THE FACILITY (EXCLUSIVE OF MAJOR MEDICAL EQUIPMENT COVERED BY T.C.A. 68-11-1601 *et seq.*) INCLUDING SQUARE FOOTAGE, MAJOR OPERATIONAL AREAS, ROOM CONFIGURATION, ETC.

Not applicable. No modification to the facility or the site is required. STMC has a fully-supported mobile services pad in place that was used for a mobile PET service for several years.

APPLICANTS WITH HOSPITAL PROJECTS (CONSTRUCTION COST IN EXCESS OF \$5 MILLION) AND OTHER FACILITY PROJECTS (CONSTRUCTION COST IN EXCESS OF \$2 MILLION) SHOULD COMPLETE THE SQUARE FOOTAGE AND COSTS PER SQUARE FOOTAGE CHART....

Not applicable.

PLEASE ALSO DISCUSS AND JUSTIFY THE COST PER SQUARE FOOT FOR THIS PROJECT.

Not applicable.

IF THE PROJECT INVOLVES NONE OF THE ABOVE, DESCRIBE THE DEVELOPMENT OF THE PROPOSAL.

The Applicant

The applicant is Southern Tennessee Medical Center (“STMC”). It belongs to the Southern Tennessee Regional Health System (“STRHS”), an organization of four rural facilities who are the only acute care providers located in Franklin, Giles, and Lawrence Counties. The system’s central administrative office is at STMC in Winchester.

The LifePoint Hospitals system, based in the Nashville area, is the parent company of all four facilities. LifePoint organized STRHS in 2013 to share best clinical practices for quality care, to achieve operational efficiencies, to create economies of scale in the addition and expansion of services, and to expand access to primary care services in the region.

The STRHS facilities are shown in Table Two below. STMC and Emerald-Hodgson, both in Franklin County, have a common 152-bed license, with STMC being the main campus. The Pulaski and Lawrenceburg hospitals are separately licensed. Each licensed entity is the only acute care provider in its county. All these hospitals are Federally-designated “Disproportionate Share Providers” because of their unusually high levels of service to elderly and low-income patients.

Table Two: Southern Tennessee Regional Health System (LifePoint)		
Facility	City / County	Licensed Beds Onsite
Southern Tennessee Medical Center	Winchester / Franklin Co.	131*
Emerald-Hodgson Hospital	Sewanee / Franklin Co.	21*
Hillside Hospital	Pulaski / Giles Co.	95
Crockett Hospital	Lawrenceburg / Lawrence Co.	99
<i>Total Beds in STRHS</i>		<i>346</i>

**The two Franklin County facilities have a shared 152-bed license.*

The proposed mobile PET/CT service will be provided at the STMC Winchester campus. It is an hour and a half drive southeast of Nashville, west of I-24, in central Franklin County. STMC’s two-hospital system has a TennCare payor mix of

approximately 15.4% and a Medicare payor mix of approximately 53.9%. It also provides charity care. STMC's services include a Cardiology program with both diagnostic and interventional catheterization services, and an Oncology program offering medical and surgical services.

The Project

STMC was granted CN0212-124 to provide mobile PET/CT services one day every other week, or 26 days per year. That service operated from April 2005 through February 2007. It was suspended because several physicians who utilized the service either relocated or retired, lowering its utilization to a point at which the mobile vendor was unwilling to continue servicing STMC patients. Now the medical staff has expanded at STMC, and is requesting weekly, on-site access to PET/CT with on-site interpretation. HSDA staff has advised STMC to obtain a new Certificate of Need before reinstating the mobile service after such a long period of inactivity.

This project is similar to the one approved and implemented several years ago, in scope of service (onsite mobile PET/CT) and in annual days of availability. But it provides greater accessibility by having the service on campus a half-day every week, rather than a full day every other week. It will be provided through a contract with Alliance Imaging, one of the State's largest providers of mobile PET/CT services. Alliance currently operates mobile PET/CT systems serving patients at more than 90 sites nationally.

Alliance will provide the service to STMC weekly, for a half-day on Mondays. This equates to 26 days of capacity annually. The mobile unit will come to the hospital at approximately noon, with all required equipment and with a PET-certified nuclear medicine technologist who will prepare the equipment for service. It will dock at an existing mobile services pad near the Emergency Department, where utilities for connection are already available. The technologist will be responsible for patient transport to and from the unit (unless hospital assistance such as wheelchairs are needed). The hospital will provide physician supervision, direction, and written orders for all patients. The unit will offer scheduled service from 1:00 pm to 4:00 pm, but will remain in service each day as long as required to serve patients needing service that day.

Radiopharmaceuticals required for the PET examination--the FDG's--will be obtained by Allied from PETNET. The FDG will be administered within the mobile unit, by the STMC physician or the technologist, as required by State law. The technologist will then operate the PET equipment under the direction of the physician, who will be present or immediately available at all times during service to patients. Films and digital records of each study will be retained by both the hospital and PSA. The service's Medical Director, a Board-certified neuroradiologist, will interpret the study. An over-read contract for the first year is planned, and funding for it has been included in the project's listed expenses.

The contract that has been negotiated by LifePoint, STMC's parent company, is essentially risk-free for the hospital. Alliance Imaging will obtain the FDG (radiopharmaceutical), whose cost will be included in the "fee per click" that Alliance will charge STMC for each PET/CT procedure. The fee (in Years 1-3) will be \$785 for the first six procedures each day, and \$600 for any additional procedures that same day. There will be no minimum number of patients, or revenues, required of the hospital. If, for some reason, no patients need to be scanned on a scheduled day of mobile service, then with notice on the day before service, the unit will not come to the hospital and no costs will be incurred. If a patient unexpectedly cancels on the day of service, or does not appear when scheduled, the hospital will not be charged for the unused FDG.

The hospital will bill patients and their payors for the PET scan. The projected charge for the PET scan in Year One is \$3,450, lower than most other PET services in southern Middle Tennessee. The net margin per scan for by the hospital, after contractual adjustments, charity, bad debt, supply costs, vendor charges, and other expenses, is projected to be approximately \$276 per scan. The interpreting radiologist will bill his own professional fees. The hospital will pay for a year of over-read service from a contracted third party.

The actual capital cost of providing this service will be no more than \$33,000, including the costs of the State filing fee for the CON and a contingency for attorney and consulting fees. The PET unit and trailer have a market value of approximately \$625,000. However, because they are used by STMC in this project only 10% of the available time (four half-days out of twenty full workdays per month), their market value for application purposes has been prorated at 10% of that, or \$62,500. The same 10% proration has been applied to Allied's approximately \$204,000 annual maintenance

expenses on the equipment, for an annual maintenance cost to this project of \$20,400, or \$102,000 over the five-year first term of the contract.

In total, the estimated total cost for CON purposes is \$831,135--composed of the actual cash expense of \$33,000 for the CON process; prorated market values of fully maintained equipment (\$164,500), and fees paid to the vendor for the first contract term of five years (\$636,635). The \$33,000 actual cash requirement to implement the project will be paid by the hospital out of operating income.

If a CON is granted in May of 2014, the mobile PET can be in service at the hospital on or before July 1, 2014.

B.II.B. IDENTIFY THE NUMBER AND TYPE OF BEDS INCREASED, DECREASED, CONVERTED, RELOCATED, DESIGNATED, AND/OR REDISTRIBUTED BY THIS APPLICATION. DESCRIBE THE REASONS FOR CHANGE IN BED ALLOCATIONS AND DESCRIBE THE IMPACT THE BED CHANGE WILL HAVE ON EXISTING SERVICES.

Not applicable. The project does not affect inpatient services.

B.II.C. AS THE APPLICANT, DESCRIBE YOUR NEED TO PROVIDE THE FOLLOWING HEALTH CARE SERVICES (IF APPLICABLE TO THIS APPLICATION):

- 1. ADULT PSYCHIATRIC SERVICES**
- 2. ALCOHOL AND DRUG TREATMENT ADOLESCENTS >28 DAYS**
- 3. BIRTHING CENTER**
- 4. BURN UNITS**
- 5. CARDIAC CATHETERIZATION SERVICES**
- 6. CHILD AND ADOLESCENT PSYCHIATRIC SERVICES**
- 7. EXTRACORPOREAL LITHOTRIPSY**
- 8. HOME HEALTH SERVICES**
- 9. HOSPICE SERVICES**
- 10. RESIDENTIAL HOSPICE**
- 11. ICF/MR SERVICES**
- 12. LONG TERM CARE SERVICES**
- 13. MAGNETIC RESONANCE IMAGING (MRI)**
- 14. MENTAL HEALTH RESIDENTIAL TREATMENT**
- 15. NEONATAL INTENSIVE CARE UNIT**
- 16. NON-RESIDENTIAL METHADONE TREATMENT CENTERS**
- 17. OPEN HEART SURGERY**
- 18. POSITIVE EMISSION TOMOGRAPHY.....**

Summary of the Need for the Project

1. PET/CT is an important outpatient clinical test utilized by several medical specialties.
2. Mobile PET/CT was once approved for this hospital, and was offered until medical staff changes in 2006-2007 lowered utilization and the vendor suspended the service. Now there is no fixed or mobile PET/CT service now located in the service area.
3. Almost 500 patients each year are leaving the four primary and secondary service area counties to obtain PET/CT tests. STMC's primary service area medical staff (serving the hospitals in Franklin and Grundy County) have projected making 216 annual PET/CT referrals to an STMC mobile unit that is available weekly and offers expert local interpretation for speed of diagnosis. The combined medical staffs of the four hospitals in STMC's Regional Health System have estimated referring 324 patients to this unit.
4. The applicant very conservatively projects an annual retention rate of at least 175 PET/CT procedures by Year Two. That projection exceeds the State Health Plan's Year Two standard of 160 procedures annually for a mobile unit on this type of schedule.
5. Weekly access to PET/CT will provide greater accessibility for STMC patients.

Discussion of the Need for the Project

1. PET/CT Is An Important Clinical Test

PET scanning technology's most frequent use at this time is in detecting and diagnosing many forms of cancer, and in planning surgical and radiation therapy intervention to deal with cancer. In those areas of care it is unquestionably already the "gold standard" of excellence.

PET locates tumors that are too small to be detected either by other imaging technology, or by direct observation during surgery. It accurately maps tumors and identifies which areas should have highest priority for radiation treatment, and how treatment should be delivered with the least possible damage to healthy tissue nearby. It detects cancer earlier than any other tool, and identifies its sites more accurately, and earlier, than any other technology can do. It measures metabolic activity in the tumor, which is uniquely valuable in evaluating the disease and planning interventions. By providing better data, PET enhances cancer diagnosis and intervention, and also reduces unnecessary cancer surgery, radiation therapy, and medication. Finally, for monitored cancer survivors, it provides the earliest warning of any recurrence.

PET technology is also applicable in other fields. It is used in diagnosing and evaluating heart disease, and it has increasing neurological uses including conclusive differentiation of dementia from Alzheimer's. Research indicates that PET scanning may well become a significant medical tool for dealing with every condition that involves metabolic change in tissues--a vast potential.

Because of these benefits, PET's use has rapidly expanded in recent years. For large tertiary cancer care centers in urban areas, a fixed PET is now essential and financially feasible (due to declining machine prices and increasing scope of payor reimbursement). Patients living in every major urban area in the State now have access to PET technology at one to three locations within a short drive of their homes, at fixed units in major tertiary care centers, at both hospitals and physician offices.

However, large numbers of cancer victims live and are cared for in rural areas of Tennessee, such as the four counties of the Southern Tennessee Regional Health System. Rural patients need access to PET technology within a reasonable drive time, as much as urban patients need it. Rural residents can only obtain that access by using mobile services at local hospitals which have the specialists, the resources, and the commitment required to integrate PET studies into an effective and appropriate oncology program for rural patients, and which can coordinate their work with more comprehensive cancer centers in larger hospitals when necessary—eg, when radiation therapy is part of the patient care plan and the local hospital does not have a linear accelerator on-site, or a radiation oncologist on staff to manage radiation therapy.

Southern Tennessee Medical Center (STMC) in Winchester is such a facility, located in a growing rural area of the State, close to one of the region's most heavily traveled interstate corridors (between Nashville and Chattanooga). It has embarked (with multiple CON approvals) on a program of rebuilding and expansion of services (including cardiology with both diagnostic and interventional cardiac catheterization and other specialty services). STMC has made the required commitment to develop improved care programs for its patients. Oncologists rotate through the hospital weekly and are available for daily consults. Having access to mobile PET technology on a weekly basis will make oncology care more efficient for patients who do not need or want to leave their home county for diagnostic testing.

It will cost almost nothing to re-instate this suspended service, because it will use an existing PET/CT scanner that already exists, and is already serving Tennessee hospitals. The project will utilize available capacity on that mobile unit, so it will not even indirectly create any new PET capital expenditure by a vendor. The project imposes no financial risk on the hospital, because if adequate utilization does not occur, it can be suspended or discontinued without penalty and without loss of any significant investment.

2. STMC Did Offer Mobile/CT Services in the Recent Past

STMC was granted CN0212-124 for a mobile PET/CT service several years ago, and operated it until early 2007. It was suspended primarily because retirements and relocations of referring physicians lowered utilization to the point that the mobile vendor did not want to continue coming to STMC. Another factor was that the local radiologist

at the time chose to send studies off for interpretation, to a source that significantly delayed the diagnostic process and frustrated many physicians who wanted better service.

3. Significant Numbers of Area Residents Need PET/CT Tests and the Medical Staff Estimate Making Numerous Referrals to This Unit

The HSDA Registry provides clear documentation that significant numbers of service area patients are traveling outside the service area to obtain PET/CT scans. Table Three on the next page shows Registry data on PET patient destinations--i.e., where patients from the four Southern Tennessee Regional Health System counties are now obtaining their PET scans. (A slightly larger number may be leaving the area because the only PET service in Middle Tennessee that did not report CY2012 patient origin to the HSDA Registry is the mobile service of Harton Regional Medical Center in adjoining Coffee County, which performed only 15 scans that year.)

In 2012 (the most recent reported data), 478 patients left these counties for PET scans not available locally; almost half of whom (232) were residents of STMC's primary service area of Franklin and Grundy Counties. Persons leaving the area utilized twelve facilities in seven different counties. Approximately 58% of patients from Franklin and Grundy Counties were referred to a single PET/CT belonging to a Murfreesboro-based medical practice, whose oncologists rotate through STMC weekly.

STMC has polled medical staff not only at STMC itself, but at all four STRHS hospitals, to ascertain how many patients a month they felt they would refer to a weekly PET/CT service at STMC. Table Four on the second following page provides their responses. Support letters documenting responses are provided in the Attachments to this application.

STMC's medical staff in Winchester alone estimates making 216 annual PET/CT referrals. Associated medical staff at all *four* of the Southern Tennessee Regional Health System hospitals estimate making 324 annual PET/CT referrals to the mobile service. Both estimates exceed the applicable State Health Plan CON target of 160 annual scans for a mobile unit operating a half-day per week (320 annual scans for one full day per week, times 50% for a half-day per week).

**Table Three: Southern Tennessee Medical Center
PET/CT Providers for Patients from Franklin, Giles, Grundy, and Lawrence Counties
CY2012**

County	Provider Type	Provider	STMC PET/CT PSA			STMC PET/CT SSA		Service Area Total	Provider Total Utilization**	Service Area Percent of Total
			Franklin	Grundy		Giles	Lawrence			
Coffee	HOSP	Harton Regional Medical Center***	NR	NR		NR	NR	NR		NR
Coffee	HOSP	United Regional Medical Center	12	2			1	15	127	11.81%
Davidson	ODC	Imaging Alliance - Nashville PET, LLC	7	1		10	15	33	1838	1.80%
Davidson	PO	Tennessee Oncology, PET Services	9	1		12	9	31	1774	1.75%
Davidson	HOSP	TriStar Centennial Medical Center	3			1	5	9	289	3.11%
Davidson	HOSP	Vanderbilt University Hospital	28	6		20	25	79	3401	2.32%
Hamilton	RPO	Chattanooga Imaging East	5	6				11	527	2.09%
Hamilton	ODC	Diagnostic PET/CT of Chattanooga	5	9				14	1179	1.19%
Hamilton	HOSP	Memorial Hospital	1	2				3	720	0.42%
Knox	ASTC	Thompson Cancer Survival Center - West				1		1	923	0.11%
Maury	HOSP	Maury Regional Medical Center *				35	74	109	359	30.36%
Rutherford	ODC	Tennessee PET Scan Center	106	28		32	2	168	1568	10.71%
Williamson	HOSP	Williamson Medical Center *	1			1	3	5	109	4.59%
		Total Service Area	177	55		112	134	478	12814	

Source: HSDA Medical Equipment Registry - 1/30/2014

* Mobile PET/C unit

**From all States

***Harton Regional Hospital was the only PET provider of 32 Statewide (excluding St. Jude) who did not report PET patient origin.

**Table Four: Southern Tennessee Regional Health System
Medical Staff Projected Referrals to Mobile PET/CT at
Southern Tennessee Medical Center**

for	Hospital	Specialty	Estimated Monthly PET Referrals to STMC	Letter Documenting Support and Referrals
Dr. James Beall	Hillside	FP/IM	1	yes
Dr. Gregg Shepard	Crockett	Oncology	2	yes
Dr. Michael Boyd	Crockett	Surgeon	2	yes
Dr. Norman McNaulty	Crockett	Neurology	2	yes
Dr. Frank Rao	STMC	ENT	2	yes
Dr. Raymond Capps	STMC	Neurology	10	
Dr. Joanne Filchock	STMC	FP/IM	2	
Dr. David Martin	STMC	FP/IM	2	
Dr. Mat Petrilla	STMC	FP/IM	2	
Dr. Louis Koella	STMC	FP/IM	2	
	System MD's	Total per Mo	27	
		Total per Yr	324	
	STMC MD's Only	Total per Mo	18	
		Total per Yr	216	

Source: Medical Staff Letters of Support

4. STMC Has Made Conservative Utilization Projections

STMC recognizes that a number of patients who leave the service area for cancer care at comprehensive cancer centers (Centennial, Ascension, and Vanderbilt in Nashville, or Parkridge Memorial, or Erlanger in Chattanooga) will prefer to utilize physicians and equipment at those locations for consolidated programs of care.

However, there are also a group of patients who find unnecessary travel a hardship, and prefer to obtain a PET scan locally, or with minimal travel time, with the support of their specialists. For that reason, STMC has been very conservative in estimating the mobile service's initial retention of referrals projected by its own medical staff, and projected by medical staff at its affiliates in Lawrenceburg and Pulaski.

STMC's projected utilization for its mobile PET/CT service for the first two years of service are 100 and 175 procedures, respectively. In Year Two, that is only 81% of the referrals to it projected by its own medical staff (175/216). It is only 54% of the referrals to it projected by the medical staffs of all four affiliated hospitals in STMC's Southern Tennessee Regional Health System (175/324).

5. The Project Offers Improved Accessibility for Many Area Patients

It should be remembered that PET/CT is a relatively quick outpatient procedure to perform after the patient concludes a period of rest for uptake of the injected radiopharmaceutical. The test is not experimental any more. It should be physically as accessible as possible to patients whose incomes and age make travel to remote cities relatively difficult.

Table Five on the following page provides round trip mileages and times between the principal cities of the primary and secondary service areas, and current PET/CT services being utilized. Middle Tennessee cities with PET units currently used by this project's patients are approximately a one to three hour round-trip drive from STMC in Winchester. The Murfreesboro service most currently referred to is a two-hour drive round-trip.

Table Five: STMC's Accessibility to Cities With PET Providers Reporting CY2012 Patient Origin From Project Service Area								
	Murfreesboro	Nashville	Chattanooga	Manchester	Franklin	Columbia	Knoxville	Total Patients
Patients from STMC PET Primary Service Area	134	55	28	14	1	0	0	232
Patients from STMC PET Secondary Service Area	34	97	0	1	4	109	1	246
Driving Distance From STMC	57.6 miles	89.5 miles	61.8 miles	27 miles	87.4 miles	82.6 miles	171 miles	
Round-Trip	115.2 miles	179 miles	123.6 miles	54 miles	174.8 miles	165.2 miles	342 miles	
Drive Time From STMC	1 hr 1 minute	1 hr 29 minutes	1 hr 5 minutes	36 minutes	1 hr 34 minutes	1 hr 34 minutes	2 hrs 41 minutes	
Round-Trip	2 hrs 2 minutes	2 hrs 58 minutes	2 h rs 10 minutes	1 hr 12 minutes	3 hrs 8 minutes	3 hrs 8 minutes	5 hrs 22 minutes	

Source: HSDA Registry patient data Jan 2014; Google Maps driving distances and times

B.II.D. DESCRIBE THE NEED TO CHANGE LOCATION OR REPLACE AN EXISTING FACILITY.

Not applicable.

B.II.E. DESCRIBE THE ACQUISITION OF ANY ITEM OF MAJOR MEDICAL EQUIPMENT (AS DEFINED BY THE AGENCY RULES AND THE STATUTE) WHICH EXCEEDS A COST OF \$1.5 MILLION; AND/OR IS A MAGNETIC RESONANCE IMAGING SCANNER (MRI), POSITRON EMISSION TOMOGRAPHY (PET) SCANNER, EXTRACORPOREAL LITHOTRIPTER AND/OR LINEAR ACCELERATOR BY RESPONDING TO THE FOLLOWING:

1. For fixed site major medical equipment (not applicable)
2. For mobile major medical equipment:
 - a. List all sites that will be served;
 - b. Provide current and/or proposed schedule of operations;
 - c. Provide the lease or contract cost;
 - d. Provide the fair market value of the equipment; and
 - e. List the owner for the equipment.
3. Indicate applicant's legal interest in equipment (e.g., purchase, lease, etc.)
In the case of equipment purchase, include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

The mobile PET unit owned by Allied Imaging includes a trailer, tractor, and an FDA-approved GE Discovery ST8 PET/CT scanner manufactured in 2006. The life of the equipment is 5 years. The current market value of the unit is \$625,000; the maintenance in Years 1-5 would be \$1,020,000 (at \$204,000 annually). At a proration of 10% (in use at Winchester 2 days out of 20, every month), this would be \$164,500 fair market value of the equipment and maintenance contract for this service. This unit performs the standard range of PET procedures. It is FDA-approved. This equipment is owned by Alliance Imaging. The fee paid to the vendor per procedure will be \$785 for the level of utilization projected. The draft contract is provided in the Attachments.

The unit currently selected now serves Williamson Medical Center in Franklin on Mondays, Maury Regional Hospital in Columbia on Tuesdays, Baptist DeSoto Hospital in Southaven, MS on Wednesdays, Northcrest Medical Center in Springfield on Thursdays, Baptist Memorial Health Care in Union City on Fridays, and Harton Regional Medical Center in Tullahoma on the first Saturday of every month. It would serve STMC in Winchester on Monday afternoons each week.

B.III.A. ATTACH A COPY OF THE PLOT PLAN OF THE SITE ON AN 8-1/2" X 11" SHEET OF WHITE PAPER WHICH MUST INCLUDE:

- 1. SIZE OF SITE (IN ACRES);**
- 2. LOCATION OF STRUCTURE ON THE SITE;**
- 3. LOCATION OF THE PROPOSED CONSTRUCTION; AND**
- 4. NAMES OF STREETS, ROADS OR HIGHWAYS THAT CROSS OR BORDER THE SITE.**

PLEASE NOTE THAT THE DRAWINGS DO NOT NEED TO BE DRAWN TO SCALE. PLOT PLANS ARE REQUIRED FOR ALL PROJECTS.

See Attachment B.III.A.

B.III.B.1. DESCRIBE THE RELATIONSHIP OF THE SITE TO PUBLIC TRANSPORTATION ROUTES, IF ANY, AND TO ANY HIGHWAY OR MAJOR ROAD DEVELOPMENTS IN THE AREA. DESCRIBE THE ACCESSIBILITY OF THE PROPOSED SITE TO PATIENTS/CLIENTS.

STMC in Winchester is very accessible to all parts of its two-county service area. US Highways 64 and 41A, and State Highways 127 and 50, among others radiate out from Winchester to all parts of its service area. Table Six below shows typical drive times and distances from STMC to the larger communities in the primary service area. There is no bus service in Winchester; but area patients are accustomed to coming to the hospital using private transportation.

Table Six: Accessibility of Primary Service Area Communities to Southern Tennessee Medical Center			
County	Community	One-Way Distance	Drive Time
Franklin	Belvidere	9.3 miles	12 minutes
	Huntland	17.1 miles	19 minutes
	Monteagle	17.0 miles	24 minutes
	Alto	13.9 miles	16 minutes
Grundy	Pelham	17.8 miles	20 minutes
	Altamont	33.8 miles	43 minutes
	Coalmont	35.8 miles	43 minutes

Source: Google Maps, February 2014

B.IV. ATTACH A FLOOR PLAN DRAWING FOR THE FACILITY WHICH INCLUDES PATIENT CARE ROOMS (NOTING PRIVATE OR SEMI-PRIVATE), ANCILLARY AREAS, EQUIPMENT AREAS, ETC.

See attachment B.IV.

IV. FOR A HOME CARE ORGANIZATION, IDENTIFY

- 1. EXISTING SERVICE AREA (BY COUNTY);**
- 2. PROPOSED SERVICE AREA (BY COUNTY);**
- 3. A PARENT OR PRIMARY SERVICE PROVIDER;**
- 4. EXISTING BRANCHES AND/OR SUB-UNITS; AND**
- 5. PROPOSED BRANCHES AND/OR SUBUNITS.**

Not applicable. The application is not for a home care organization.

C(I) NEED

C(I).1. DESCRIBE THE RELATIONSHIP OF THIS PROPOSAL TO THE IMPLEMENTATION OF THE STATE HEALTH PLAN AND TENNESSEE'S HEALTH: GUIDELINES FOR GROWTH.

A. PLEASE PROVIDE A RESPONSE TO EACH CRITERION AND STANDARD IN CON CATEGORIES THAT ARE APPLICABLE TO THE PROPOSED PROJECT. DO NOT PROVIDE RESPONSES TO GENERAL CRITERIA AND STANDARDS (PAGES 6-9) HERE.

B. APPLICATIONS THAT INCLUDE A CHANGE OF SITE FOR A HEALTH CARE INSTITUTION, PROVIDE A RESPONSE TO GENERAL CRITERION AND STANDARDS (4)(a-c).

Project-Specific Review Criteria: PET (State Health Plan)

1. Applicants proposing a new stationary PET unit should project a minimum of at least 1,000 PET procedures in the first year of service, building to a minimum of 1,600 procedures per year by the second year of service and for every year thereafter. Providers proposing a mobile PET unit should project a minimum of at least 133 mobile PET procedures in the first year of service per day of operation per week, building to an annual minimum of 320 procedures per day of operation per week by the second year of service and for every year thereafter. The minimum number of procedures for a mobile PET unit should not exceed a total of 1600 procedures per year if the unit is operated more than five (5) days per week. The application for mobile and stationary units should include projections of demographic patterns, including analysis of applicable population-based health status factors and estimated utilization by patient clinical diagnoses category (ICD-9).

For units with a combined utility, e.g., PET/CT units, only scans involving the PET function will count towards the minimum number of procedures.

For a mobile service operating at a site for one day per week, this criterion requires annual utilization in Years One and Two of 133 and 320 procedures, respectively. Consultation with HSDA staff has confirmed that for *one half-day of service per week*, these requirements are to be halved, to 74 and 160 procedures in Years One and Two.

This proposal exceeds the minimum criterion. It will provide 100 and 175 procedures annually in its first two years of service.

Demographic patterns have been projected in Section C(I)4A below. It is not relevant to analyze “population-based health status factors” for this particular project, because HSDA Registry data has already documented the actual number of PET scans being ordered for the care of residents of this area. Such empirical data is superior to speculative projections of PET scan need based on cancer rates. Projection by ICD-9 level data is not possible for this project, because the applicant has no access to that kind of data. As an alternative, utilization by CPT codes is offered in the table in Section C(II)6B below.

2. All providers applying for a proposed new PET unit should document that the proposed location is accessible to approximately 75% of the service area’s population. Applications that include non-Tennessee counties in their proposed service areas should provide evidence of the number of existing PET units that service the non-Tennessee counties and the impact on PET unit utilization in the non-Tennessee counties, including the specific location of those units located in the non-Tennessee counties, their utilization rates, and their capacity.

Table Six, shown in an earlier section of this application, demonstrates that the principal towns of the service area (other than Winchester, where the project is located) are within a reasonable drive time. Even the farthest are less than 45 minutes’ drive time from STMC and this project.

Table Six (Repeated): Accessibility of Primary Service Area Communities to Southern Tennessee Medical Center			
County	Community	One-Way Distance	Drive Time
Franklin	Belvidere	9.3 miles	12 minutes
	Huntland	17.1 miles	19 minutes
	Monteagle	17.0 miles	24 minutes
	Alto	13.9 miles	16 minutes
Grundy	Pelham	17.8 miles	20 minutes
	Altamont	33.8 miles	43 minutes
	Coalmont	35.8 miles	43 minutes

Source: Google Maps, February 2014

3. All providers should document that alternate shared services and lower cost technology applications have been investigated and found less advantageous in terms of accessibility, availability, continuity, cost, and quality of care.

This is a shared service. It is sharing in the use of a mobile PET unit that serves a number of significant rural hospitals in Tennessee. There are no alternative PET/CT's in the applicant's service area. So this will be the most accessible and available such service for patients of these counties. The cost is minimal and the contractual arrangement is virtually risk-free. Quality of care will be assured by the experience of the Allied Imaging PET technologist accompanying and maintaining the equipment, and by the medical supervision of the hospital's neuroradiologist, who will be qualified to provide and interpret the service.

4. Any provider proposing a new mobile PET unit should demonstrate that it offers or has established referral agreements with providers that offer as a minimum, cancer treatment services, including radiation, medical and surgical oncology services.

Medical and surgical oncology services are available locally at STMC. Radiation therapy is provided at more distant facilities in Columbia, Chattanooga, Murfreesboro, and Nashville. The medical staff working in oncology care all have referral relationships to those providers. Hospitals themselves do not make referrals.

5. A need likely exists for one additional stationary PET unit in a service area when the combined average utilization of existing PET service providers is at or above 80% of the total capacity of 2,000 procedures during the most recent twelve-month period reflected in the provider medical equipment report maintained by the HSDA. The total capacity per PET unit is based upon the following formula:

Stationary Units: Eight (8) procedures/day x 250 days/year = 2,000 procedures/year

Mobile Units: Eight (8) procedures /day x 50 days/year= 400 procedures/year

The provider should demonstrate that its acquisition of an additional stationary or mobile PET unit in the service area has the means to perform at least 1,000 stationary PET procedures or 133 mobile PET procedures per day of operation per week in the first full one-year period of service

operations, and at least 1,600 stationary PET procedures or 320 mobile PET procedures per day of operation per week for every year thereafter.

Not applicable. This application does not propose to establish a new stationary PET/CT or even a new mobile service. It seeks only to add a site to an existing mobile service.

6. The applicant should provide evidence that the PET unit is safe and effective for its proposed use.

a. The United States Food and Drug Administration (FDA) must certify the proposed PET unit for clinical use.

The FDA documentation has been provided in the Attachments.

b. The applicant should demonstrate that the proposed PET procedures will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

Allied Imaging's vehicle, equipment and operating procedures do comply with all applicable Federal standards, manufacturer's specifications, and licensing requirements. It is contractually guaranteed. In addition, the hospital itself is responsible for patient care with this equipment. The hospital and its staff operate in complete conformity to State licensing requirements, and this additional imaging service will be operated just as carefully.

c. The applicant should demonstrate how emergencies within the PET unit facility will be managed in conformity with accepted medical practice.

All hospitals have long-established protocols for dealing with emergencies on their premises and these will be applicable to the mobile unit while it is on the STMC campus.

d. The applicant should establish protocols that assure that all clinical PET procedures performed are medically necessary and will not unnecessarily duplicate other services.

The applicant commits to undertake this immediately upon CON approval. The service will not be offered until appropriate protocols are in place.

e. The PET unit should be under the medical direction of a licensed physician. The applicant should provide documentation that attests to the nature and scope of the duties and responsibilities of the physician medical director. Clinical supervision and interpretation services must be provided by physicians who are licensed to practice medicine in the state of Tennessee and are board certified in Nuclear Medicine or Diagnostic Radiology. Licensure and oversight for the handling of medical isotopes and radiopharmaceuticals by the Tennessee Board of Pharmacy and/or the Tennessee Board of Medical Examiners—whichever is appropriate given the setting—is required. Those qualified physicians that provide interpretation services should have additional documented experience and training, credentialing, and/or board certification in the appropriate specialty and in the use and interpretation of PET procedures.

The Medical Director will be John Allred, M.D. Dr. Allred is double Board-certified in Radiology and Neurology. He completed medical school at the University of Alabama School of Medicine in Birmingham, interned at Hennepin County Medical Center in Minnesota, completed his residency in diagnostic radiology at the University of Minnesota in Minneapolis, and completed a Fellowship in Neuroradiology at Vanderbilt Medical School in Nashville. Among his many honors and awards were recognition as Fellow/Faculty Teacher of the Year in 2006, 2008, 2009, and 2010, and Senior Residents Special Recognition Award for the Most Influential Attending Physician (2010).

In preparation for this role with the STMC PET, Dr. Allred has scheduled additional continuing education in PET interpretation and is discussing an over-read arrangement with STMC and a major PET interpretation organization. Dr. Allred's resume and Board Certification documentation are in the Attachments to this application.

f. All applicants should seek and document emergency transfer agreements with local area hospitals, as appropriate. An applicant's arrangements with its physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

No emergency transfer agreement is needed because this will be a service of the hospital, operated on the hospital's grounds. The Medical Director will be an active member of this hospital's own medical staff.

7. The applicant should provide assurances that it will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

The applicant hereby commits to comply with Statewide reporting requirements of the HSDA Registry.

8. In light of Rule 0720-4-.01 (1), which lists the factors concerning need on which an application may be evaluated, the HSDA may decide to give special consideration to an applicant:

a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration;

Please see the Attachments ("Miscellaneous") for documentation that Franklin and Grundy Counties do contain medically underserved areas.

b. Who documents that the service area population experiences a prevalence, incidence and/or mortality from cancer, heart disease, neurological impairment or other clinical conditions applicable to PET unit services that is substantially higher than the State of Tennessee average;

Not applicable.

c. Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program and/or is a comprehensive cancer diagnosis and treatment program as designated by the Tennessee Department of Health and/or the Tennessee Comprehensive Cancer Control Coalition; or

Not applicable.

d. Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to participate in the Medicare program.

STMC is already contracted with all three of the TennCare MCO's authorized to operate in its two service area counties, and is committed to remain contracted with them.

The Framework for Tennessee's Comprehensive State Health Plan

Five Principles for Achieving Better Health

The following Five Principles for Achieving Better Health serve as the basic framework for the State Health Plan. After each principle, the applicant states how this CON application supports the principle, if applicable.

1. Healthy Lives

The purpose of the State Health Plan is to improve the health of Tennesseans.

Every person's health is the result of the interaction of individual behaviors, society, the environment, economic factors, and our genetic endowment. The State Health Plan serves to facilitate the collaboration of organizations and their ideas to help address health at these many levels.

The project will improve patient care by making this service more physically accessible to patients who now must leave the service area to obtain PET/CT tests. STMC, as the lead hospital of a four-hospital rural health group, is organizing this service in collaboration with medical staffs of all four hospitals.

2. Access to Care

Every citizen should have reasonable access to health care.

Many elements impact one's access to health care, including existing health status, employment, income, geography, and culture. The State Health Plan can provide standards for reasonable access, offer policy direction to improve access, and serve a coordinating role to expand health care access.

The application has demonstrated area residents' excessive drive times to and from current PET/CT services in other counties. This project directly addresses that issue and significantly improves access time to PET/CT diagnosis.

3. Economic Efficiencies

The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system. The State Health Plan should work to identify opportunities to improve the efficiency of the state's health care system and to encourage innovation and competition.

The provision of PET/CT service closer to the homes of STMC patients offers increased efficiency in obtaining care.

4. Quality of Care

Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers. Health care providers are held to certain professional standards by the state's licensure system. Many health care stakeholders are working to improve their quality of care through adoption of best practices and data-driven evaluation.

The applicant is licensed and accredited to offer a full range of diagnostic services including this one, which the applicant did offer until 2007.

5. Health Care Workforce

The state should support the development, recruitment, and retention of a sufficient and quality health care workforce. The state should consider developing a comprehensive approach to ensure the existence of a sufficient, qualified health care workforce, taking into account issues regarding the number of providers at all levels and in all specialty and focus areas, the number of professionals in teaching positions, the capacity of medical, nursing, allied health and other educational institutions, state and federal laws and regulations impacting capacity programs, and funding.

This project does not impact any teaching or health professions training programs.

C(I).2. DESCRIBE THE RELATIONSHIP OF THIS PROJECT TO THE APPLICANT'S LONG-RANGE DEVELOPMENT PLANS, IF ANY.

The project seeks to restore an important diagnostic test option for physicians and patients in this rural service area.

C(I).3. IDENTIFY THE PROPOSED SERVICE AREA AND JUSTIFY THE REASONABLENESS OF THAT PROPOSED AREA. SUBMIT A COUNTY-LEVEL MAP INCLUDING THE STATE OF TENNESSEE CLEARLY MARKED TO REFLECT THE SERVICE AREA. PLEASE SUBMIT THE MAP ON A 8-1/2" X 11" SHEET OF WHITE PAPER MARKED ONLY WITH INK DETECTABLE BY A STANDARD PHOTOCOPIER (I.E., NO HIGHLIGHTERS, PENCILS, ETC.).

The service's primary service area will be approximately the same as the hospital's: Franklin and Grundy Counties, where more than 83% of STMC's admissions reside.

A service area map and a map showing the location of the service within the State of Tennessee are provided as Attachments C, Need--3 at the back of the application.

Table Seven: Projected Patient Origin of PCET Surgery Center			
County	Percent of Total	Year 1 Procedures	Year 2 Procedures
Franklin	69%	69	121
Grundy	15%	15	26
Subtotal PSA	84%	84	147
Other Co. <5% ea.	16%	16	28
Total All Counties	100%	100	175

Source: Practice records for patient origin; cases projected in Table 6-A.

C(I).4.A DESCRIBE THE DEMOGRAPHICS OF THE POPULATION TO BE SERVED BY THIS PROPOSAL.

Table Eight on the following page provides the requested data. The service area population's median age (41.4 years) is higher than the Statewide median (38 years). Similarly, the percent of the total population that is Medicare age is 18.5% compared to the State average of 14.9%. The service area population is projected to increase more slowly than the State as a whole--at a rate of 1.5% between 2014 and 2018, compared to a State rate of 3.7%.

The service area counties have lower median incomes than the State, and together they have only a slightly higher percent of population in TennCare. However, primarily due to Grundy County, the service area has a much higher percent of its population below the poverty level (22.5%) than does Tennessee as a whole (16.9%).

Table Eight: Demographic Characteristics of Primary Service Area STMC PET/CT Service 2013-2017				
Demographic	Franklin County	Grundy County	TENNESSEE PSA	STATE OF TENNESSEE
Median Age-2010 US Census	41.3	41.4	41.4	38.0
Total Population-2014	41,230	13,355	54,585	6,588,698
Total Population-2018	42,122	13,293	55,415	6,833,509
Total Population-% Change 2013 to 2017	2.2%	-0.5%	1.5%	3.7%
Age 65+ Population-2014	7,465	2,637	10,102	981,984
% of Total Population	18.1%	19.7%	18.5%	14.9%
Age 65+ Population-2018	7,463	2,792	10,255	1,102,413
% of Total Population	17.7%	21.0%	18.5%	16.1%
Age 65+ Population- % Change 2013-2017	0.0%	5.9%	1.5%	12.3%
Median Household Income	\$41,625	\$26,644	\$34,134.50	\$44,140
TennCare Enrollees (10/13)	6,383	4,427	10,810	1,197,411
Percent of 2012 Population Enrolled in TennCare	15.5%	33.1%	19.8%	18.2%
Persons Below Poverty Level (2012)	6,556	3,873	10,429	1,113,490
Persons Below Poverty Level As % of Population (US Census)	15.9%	29.0%	22.5%	16.9%

Sources: TDH Population Projections, May 2013; U.S. Census QuickFacts and FactFinder2;
TennCare Bureau. PSA data is unweighted average or total of county data.

C(D).4.B. DESCRIBE THE SPECIAL NEEDS OF THE SERVICE AREA POPULATION, INCLUDING HEALTH DISPARITIES, THE ACCESSIBILITY TO CONSUMERS, PARTICULARLY THE ELDERLY, WOMEN, RACIAL AND ETHNIC MINORITIES, AND LOW-INCOME GROUPS. DOCUMENT HOW THE BUSINESS PLANS OF THE FACILITY WILL TAKE INTO CONSIDERATION THE SPECIAL NEEDS OF THE SERVICE AREA POPULATION.

Southern Tennessee Medical Center is accessible to all of the above groups. These patients often are limited in their abilities to travel long distances for healthcare; and this project will assist them by making an important cancer test available locally once again. The proposed service will be widely accessible.

C(1).5. DESCRIBE THE EXISTING OR CERTIFIED SERVICES, INCLUDING APPROVED BUT UNIMPLEMENTED CON'S, OF SIMILAR INSTITUTIONS IN THE SERVICE AREA. INCLUDE UTILIZATION AND/OR OCCUPANCY TRENDS FOR EACH OF THE MOST RECENT THREE YEARS OF DATA AVAILABLE FOR THIS TYPE OF PROJECT. BE CERTAIN TO LIST EACH INSTITUTION AND ITS UTILIZATION AND/OR OCCUPANCY INDIVIDUALLY. INPATIENT BED PROJECTS MUST INCLUDE THE FOLLOWING DATA: ADMISSIONS OR DISCHARGES, PATIENT DAYS, AND OCCUPANCY. OTHER PROJECTS SHOULD USE THE MOST APPROPRIATE MEASURES, E.G., CASES, PROCEDURES, VISITS, ADMISSIONS, ETC.

The service area contains no PET/CT service currently. Table Nine below, however, provides information on utilization of Tennessee PET Scan Center, the PET/CT provider in Murfreesboro that provided approximately 58% of all scans to Franklin and Grundy County patients in CY2012. This is an ODC operated by Tennessee Oncology, one of the State's largest oncology group practices, with offices in Nashville and Murfreesboro.

Table Nine: Utilization of Tennessee PET Scan Center CY2010-CY2012					
County	City	Name	2010 Procedures	2011 Procedures	2012 Procedures
Rutherford	Murfreesboro	Tenn. PET Scan Center	1,450	1,479	1,568

Source: HSDA Registry, 1/30/14.

C(1).6. PROVIDE APPLICABLE UTILIZATION AND/OR OCCUPANCY STATISTICS FOR YOUR INSTITUTION FOR EACH OF THE PAST THREE (3) YEARS AND THE PROJECTED ANNUAL UTILIZATION FOR EACH OF THE TWO (2) YEARS FOLLOWING COMPLETION OF THE PROJECT. ADDITIONALLY, PROVIDE THE DETAILS REGARDING THE METHODOLOGY USED TO PROJECT UTILIZATION. THE METHODOLOGY MUST INCLUDE DETAILED CALCULATIONS OR DOCUMENTATION FROM REFERRAL SOURCES, AND IDENTIFICATION OF ALL ASSUMPTIONS.

The HSDA Registry provides clear documentation that significant numbers of service area patients are traveling outside the service area to obtain PET/CT scans. Table Three on the next page shows Registry data on PET patient destinations--i.e., where patients from the four Southern Tennessee Regional Health System counties are now obtaining their PET scans. (A slightly larger number may be leaving the area because the only PET service in Middle Tennessee that did not report CY2012 patient origin to the HSDA Registry is the mobile service of Harton Regional Medical Center in adjoining Coffee County, which performed only 15 scans that year.)

In 2012 (the most recent reported data), 478 patients left these counties for PET scans not available locally; almost half of whom (232) were residents of STMC's primary service area of Franklin and Grundy Counties. Persons leaving the area utilized twelve facilities in seven different counties. Approximately 58% of patients from Franklin and Grundy Counties were referred to a single PET/CT belonging to a Murfreesboro-based medical practice, whose oncologists rotate through STMC weekly.

STMC has polled medical staff not only at STMC itself, but at all four STRHS hospitals, to ascertain how many patients a month they felt they would refer to a weekly PET/CT service at STMC. Table Four on the second following page provides their responses. Support letters documenting responses are provided in the Attachments to this application.

STMC's medical staff in Winchester alone estimates making 216 annual PET/CT referrals. Associated medical staff at all *four* of the Southern Tennessee Regional Health System hospitals estimate making 324 annual PET/CT referrals to the mobile service.

Both estimates exceed the applicable State Health Plan CON target of 160 annual scans for a mobile unit operating a half-day per week (320 annual scans for one full day per week, times 50% for a half-day per week).

STMC recognizes that a number of patients who leave the service area for cancer care at comprehensive cancer centers (Centennial, Ascension, and Vanderbilt in Nashville, or Parkridge Memorial, or Erlanger in Chattanooga) will prefer to utilize physicians and equipment at those locations for consolidated programs of care.

However, there are also a group of patients who find unnecessary travel a hardship, and prefer to obtain a PET scan locally, or with minimal travel time, with the support of their specialists. For that reason, STMC has been very conservative in estimating the mobile service's initial retention of referrals projected by its own medical staff, and projected by medical staff at its affiliates in Lawrenceburg and Pulaski.

STMC's projected utilization for its mobile PET/CT service for the first two years of service are 100 and 175 procedures, respectively. In Year Two, that is only 81% of the referrals to it projected by its own medical staff (175/216). It is only 54% of the referrals to it projected by the medical staffs of all four affiliated hospitals in STMC's Southern Tennessee Regional Health System (175/324).

C(II)1. PROVIDE THE COST OF THE PROJECT BY COMPLETING THE PROJECT COSTS CHART ON THE FOLLOWING PAGE. JUSTIFY THE COST OF THE PROJECT.

- **ALL PROJECTS SHOULD HAVE A PROJECT COST OF AT LEAST \$3,000 ON LINE F (MINIMUM CON FILING FEE). CON FILING FEE SHOULD BE CALCULATED ON LINE D.**

- **THE COST OF ANY LEASE (BUILDING, LAND, AND/OR EQUIPMENT) SHOULD BE BASED ON FAIR MARKET VALUE OR THE TOTAL AMOUNT OF THE LEASE PAYMENTS OVER THE INITIAL TERM OF THE LEASE, WHICHEVER IS GREATER. NOTE: THIS APPLIES TO ALL EQUIPMENT LEASES INCLUDING BY PROCEDURE OR "PER CLICK" ARRANGEMENTS. THE METHODOLOGY USED TO DETERMINE THE TOTAL LEASE COST FOR A "PER CLICK" ARRANGEMENT MUST INCLUDE, AT A MINIMUM, THE PROJECTED PROCEDURES, THE "PER CLICK" RATE AND THE TERM OF THE LEASE.**

- **THE COST FOR FIXED AND MOVEABLE EQUIPMENT INCLUDES, BUT IS NOT NECESSARILY LIMITED TO, MAINTENANCE AGREEMENTS COVERING THE EXPECTED USEFUL LIFE OF THE EQUIPMENT; FEDERAL, STATE, AND LOCAL TAXES AND OTHER GOVERNMENT ASSESSMENTS; AND INSTALLATION CHARGES, EXCLUDING CAPITAL EXPENDITURES FOR PHYSICAL PLANT RENOVATION OR IN-WALL SHIELDING, WHICH SHOULD BE INCLUDED UNDER CONSTRUCTION COSTS OR INCORPORATED IN A FACILITY LEASE.**

- **FOR PROJECTS THAT INCLUDE NEW CONSTRUCTION, MODIFICATION, AND/OR RENOVATION; DOCUMENTATION MUST BE PROVIDED FROM A CONTRACTOR AND/OR ARCHITECT THAT SUPPORT THE ESTIMATED CONSTRUCTION COSTS.**

In total, the estimated total cost for CON purposes is \$831,135--composed of the actual cash expense of \$33,000 for the CON process; prorated market values of fully maintained equipment (\$164,500), and fees paid to the vendor for the first contract term of five years (\$636,635). The \$33,000 actual cash requirement to implement the project will be paid by the hospital out of operating income.

Line B.4

Allied Imaging states that this PET unit and truck/trailer have a market value of approximately \$625,000. However, because they are used by STMC in this project only 10% of their available time (four half-days out of twenty full workdays per month), their market value for application purposes has been prorated at 10% of that, or \$62,500. The same 10% proration has been applied to Allied's approximately \$204,000 annual

maintenance expenses on the equipment, for an annual maintenance cost to this project of \$20,400, or \$102,000 over the five-year first term of the contract. The prorated \$62,500 equipment value and prorated \$102,000 maintenance expense were added together on line B4.

Line B5

The contract with Allied has a first term of five years. The contract calls for vendor fees of \$785 per scan. The applicant projected the first five years of volume to be 100, 175, 177 (+1%), 179 (+1%), and 180 (+15), or a total of 811 procedures. $811 \times \$785 = \$636,635$, which was entered in line B.5 in accordance with HSDA instructions.

PROJECT COSTS CHART -- STMC MOBILE PET SERVICE

FEB 14 AM 10:00

A. Construction and equipment acquired by purchase:

1. Architectural and Engineering Fees	\$ 0
2. Legal, Administrative, Consultant Fees (Excl CON Filing)	30,000
3. Acquisition of Site	0
4. Preparation of Site	0
5. Construction Cost	0
6. Contingency Fund	0
7. Fixed Equipment (Not included in Construction Contract)	0
8. Moveable Equipment (List all equipment over \$50,000)	0
9. Other (Specify) _____	_____

B. Acquisition by gift, donation, or lease:

1. Facility (inclusive of building and land)	_____
2. Building only	_____
3. Land only	_____
4. Equipment (Specify) <u>mobile unit FMV</u>	164,500
5. Other (Specify) <u>Fees to Vendor in 5-yr contract term</u>	636,635

C. Financing Costs and Fees:

1. Interim Financing	0
2. Underwriting Costs	0
3. Reserve for One Year's Debt Service	0
4. Other (Specify) _____	0

D. Estimated Project Cost (A+B+C)

831,135

E. CON Filing Fee (statutory minimum)

3,000

F. Total Estimated Project Cost (D+E)

TOTAL \$ 834,135

Actual Capital Cost 33,000
Section B FMV 801,135

C(II).2. IDENTIFY THE FUNDING SOURCES FOR THIS PROJECT.

a. PLEASE CHECK THE APPLICABLE ITEM(S) BELOW AND BRIEFLY SUMMARIZE HOW THE PROJECT WILL BE FINANCED. (DOCUMENTATION FOR THE TYPE OF FUNDING MUST BE INSERTED AT THE END OF THE APPLICATION, IN THE CORRECT ALPHANUMERIC ORDER AND IDENTIFIED AS ATTACHMENT C, ECONOMIC FEASIBILITY--2).

 A. Commercial Loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;

 B. Tax-Exempt Bonds--copy of preliminary resolution or a letter from the issuing authority, stating favorable contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;

 C. General Obligation Bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting;

 D. Grants--Notification of Intent form for grant application or notice of grant award;

 x **E. Cash Reserves--Appropriate documentation from Chief Financial Officer; or**

 F. Other--Identify and document funding from all sources.

The project will be funded/financed by Southern Tennessee Medical Center. Documentation of financing is provided in Attachment C, Economic Feasibility--2, by a letter from STMC's Chief Financial Officer.

C(II).3. DISCUSS AND DOCUMENT THE REASONABLENESS OF THE PROPOSED PROJECT COSTS. IF APPLICABLE, COMPARE THE COST PER SQUARE FOOT OF CONSTRUCTION TO SIMILAR PROJECTS RECENTLY APPROVED BY THE HSDA.

The justification of costs is provided in Section C(II)1 above. No construction is required for this project.

C(II).4. COMPLETE HISTORICAL AND PROJECTED DATA CHARTS ON THE FOLLOWING TWO PAGES--DO NOT MODIFY THE CHARTS PROVIDED OR SUBMIT CHART SUBSTITUTIONS. HISTORICAL DATA CHART REPRESENTS REVENUE AND EXPENSE INFORMATION FOR THE LAST THREE (3) YEARS FOR WHICH COMPLETE DATA IS AVAILABLE FOR THE INSTITUTION. PROJECTED DATA CHART REQUESTS INFORMATION FOR THE TWO YEARS FOLLOWING COMPLETION OF THIS PROPOSAL. PROJECTED DATA CHART SHOULD INCLUDE REVENUE AND EXPENSE PROJECTIONS FOR THE PROPOSAL ONLY (I.E., IF THE APPLICATION IS FOR ADDITIONAL BEDS, INCLUDE ANTICIPATED REVENUE FROM THE PROPOSED BEDS ONLY, NOT FROM ALL BEDS IN THE FACILITY).

See the following pages for these charts, with notes where applicable.

HISTORICAL DATA CHART -- SOUTHERN TENNESSEE MEDICAL CENTER (COMBINED CAMPUSES)

Give information for the last three (3) years for which complete data are available for the facility or agency.

The fiscal year begins in JANUARY.

		CY 2011	CY 2012	CY 2013
		5584	5453	4952
A.	Utilization Data	Admissions		
		Patient Days		
		31,240	30,451	27,985
B.	Revenue from Services to Patients			
1.	Inpatient Services	\$ 121,975,752	144,493,600	143,398,088
2.	Outpatient Services	99,938,584	128,752,811	146,091,017
3.	Emergency Services	15,154,462	15,833,655	19,372,427
4.	Other Operating Revenue	365,416	384,804	420,987
	(Specify) _____			
	Gross Operating Revenue	\$ 237,434,214	\$ 289,464,870	\$ 309,282,519
C.	Deductions for Operating Revenue			
1.	Contractual Adjustments	\$ 163,795,679	208,222,192	226,838,899
2.	Provision for Charity Care	313,952	251,444	298,857
3.	Provisions for Bad Debt	8,434,637	9,949,063	11,193,175
	Total Deductions	\$ 172,544,268	\$ 218,422,699	\$ 238,330,931
	NET OPERATING REVENUE	\$ 64,889,946	\$ 71,042,171	\$ 70,951,588
D.	Operating Expenses			
1.	Salaries and Wages	\$ 20,403,612	23,506,468	23,688,572
2.	Physicians Salaries and Wages			
3.	Supplies	9,340,853	10,848,018	11,014,165
4.	Taxes	3,095,596	3,445,493	3,461,531
5.	Depreciation	2,770,701	3,132,595	2,965,143
6.	Rent	302,796	17,282	24,345
7.	Interest, other than Capital		0	
8.	Management Fees			
	a. Fees to Affiliates	0	0	0
	b. Fees to Non-Affiliates	2,640,924	2,716,848	2,883,672
9.	Other Expenses (Specify) <u>See notes page</u>	15,052,098	18,197,255	15,856,338
	Total Operating Expenses	\$ 53,606,580	61,863,959	59,893,766
E.	Other Revenue (Expenses) -- Net (Specify)	\$ 0	\$ 0	\$
	NET OPERATING INCOME (LOSS)	\$ 11,283,366	\$ 9,178,212	\$ 11,057,822
F.	Capital Expenditures			
1.	Retirement of Principal	\$ 0	\$	\$
2.	Interest	737,354	643,391	378,152
	Total Capital Expenditures	\$ 737,354	\$ 643,391	\$ 378,152
	NET OPERATING INCOME (LOSS)			
	LESS CAPITAL EXPENDITURES	\$ 10,546,012	\$ 8,534,821	\$ 10,679,670

Historical Data Chart-STMC

D9, Other Expenses:	2011	2012	2013
Contract Labor	84,234	194,065	175,876
Employee Benefits	5,515,339	5,887,914	5,135,167
Professional Fees	1,239,229	1,356,275	1,252,610
Contract Services- Non IS	2,296,563	3,298,241	3,557,484
IS Fees	997,662	1,407,483	1,298,252
Repairs and Maintenance	1,399,778	1,738,420	1,634,218
Utilities	1,310,860	1,672,409	1,637,363
Insurance	1,210,102	1,362,306	1,398,798
Other Operating Expenses	<u>998,331</u>	<u>1,280,142</u>	<u>(233,430)</u>
	15,052,098	18,197,255	15,856,338

PROJECTED DATA CHART—STMC MOBILE PET/CT SERVICE

Give information for the two (2) years following the completion of this proposal.

The fiscal year begins in January.

		Year One	Year Two
A.	Utilization Data		
	Procedures/Patients	100	175
B.	Revenue from Services to Patients		
1.	Inpatient Services	\$	\$
2.	Outpatient Services	379,625	664,344
3.	Emergency Services		
4.	Other Operating Revenue (Specify)		
	Gross Operating Revenue	\$ 379,625	\$ 664,344
C.	Deductions for Operating Revenue		
1.	Contractual Adjustments	\$ 240,791	\$ 417,694
2.	Provision for Charity Care	3,250	6,500
3.	Provisions for Bad Debt	7,593	13,287
	Total Deductions	\$ 251,634	\$ 437,480
	NET OPERATING REVENUE	\$ 127,991	\$ 226,863
D.	Operating Expenses		
1.	Salaries and Wages	\$ 6,732	\$ 12,076
2.	Physicians Salaries and Wages		
3.	Supplies	1,540	2,776
4.	Taxes	1,250	1,250
5.	Depreciation		
6.	Rent		
7.	Interest, other than Capital		
8.	Management Fees		
	a. Fees to Affiliates	11,130	20,282
	b. Fees to Non-Affiliates		
9.	Other Expenses (Specify)		
	Mobile Vendor Fees and	78,500	137,375
	Over-Read Fees Yr. 1 Only	1,250	0
	Total Operating Expenses	\$ 100,402	173,758
E.	Other Revenue (Expenses) -- Net (Specify)	\$	\$
	NET OPERATING INCOME (LOSS)	\$ 27,590	\$ 53,105
F.	Capital Expenditures		
1.	Retirement of Principal	\$	\$
2.	Interest		
	Total Capital Expenditures	\$ 0	\$ 0
	NET OPERATING INCOME (LOSS)		
	LESS CAPITAL EXPENDITURES	\$ 27,590	\$ 53,105

Projected Data Chart--STMC

D9, Other Expenses:

	<u>Year One</u>	<u>Year Two</u>
Fees to Mobile Vendor @ \$785 Per Scan	\$78,500	\$137,375
Over-Read Fees @ \$50 each for 25 Yr. 1	\$1,250	0

C(II).5. PLEASE IDENTIFY THE PROJECT'S AVERAGE GROSS CHARGE, AVERAGE DEDUCTION FROM OPERATING REVENUE, AND AVERAGE NET CHARGE.

Table Ten: Average Charges, Deductions, Net Charges, Net Operating Income		
	Year One	Year Two
Procedures	100	175
Average Gross Charge Per Procedure	\$3,450	\$3,623
Average Deduction from Operating Revenue per Procedure	\$2,516	\$2,500
Average Net Charge (Net Operating Revenue) Per Procedure	\$1,280	\$1,296
Average Net Operating Income after Expenses, Per Procedure	\$276	\$303

C(II).6.A. PLEASE PROVIDE THE CURRENT AND PROPOSED CHARGE SCHEDULES FOR THE PROPOSAL. DISCUSS ANY ADJUSTMENT TO CURRENT CHARGES THAT WILL RESULT FROM THE IMPLEMENTATION OF THE PROPOSAL. ADDITIONALLY, DESCRIBE THE ANTICIPATED REVENUE FROM THE PROPOSED PROJECT AND THE IMPACT ON EXISTING PATIENT CHARGES.

The service will operate with a positive financial margin at almost any level of utilization, so it will not impose any losses that could increase hospital charges. It will have a modest operating margin that will contribute to the overall viability of the hospital.

C(II).6.B. COMPARE THE PROPOSED CHARGES TO THOSE OF SIMILAR FACILITIES IN THE SERVICE AREA/ADJOINING SERVICE AREAS, OR TO PROPOSED CHARGES OF PROJECTS RECENTLY APPROVED BY THE HSDA. IF APPLICABLE, COMPARE THE PROJECTED CHARGES OF THE PROJECT TO THE CURRENT MEDICARE ALLOWABLE FEE SCHEDULE BY COMMON PROCEDURE TERMINOLOGY (CPT) CODE(S).

The projected average gross charge for this project is within the range of average gross charges for similar services that report to the HSDA Registry. Following is a sample of such projects in nearby service areas.

Table Eleven: Comparative Gross Charges Per Procedure STMC and Providers in Other Middle Tennessee Service Areas	
Provider	Average 2012 Gross Charge Per Procedure
Harton Regional Medical Center Tullahoma, Coffee County	\$6,100
Maury Regional Medical Center Columbia, Maury County	\$5,329
Tennessee PET Scan Center Murfreesboro, Rutherford County	\$3,584
United Regional Medical Center Manchester, Coffee County	\$2,659
<i>PROPOSED STMC PET/CT SERVICE Winchester, Franklin County</i>	<i>\$3,450 (CY2013)</i>

Source: HSDA Registry, 12/20/13 and 1/30/14.

The following page contains a table showing the most frequent procedures to be performed, with their current Medicare reimbursement, and their projected Years One and Two utilization and average gross charges.

Table Twelve: STMC PET/CT Service--Most Frequent Procedures and Charges					
CPT or DRG	Descriptor	Current Medicare Allowable	Average Gross Charge		
			Current	Year 1	Year 2
78813	PET BODY DX LUNG CANCER	1,183.29		\$3,450	\$3,623
78811	PET REG/BODY RE HD/NCKCA	1,183.29		\$3,450	\$3,623
78608	PET SCAN BRAIN METABOLIC	1,183.29		\$3,450	\$3,623
78459	PET SCAN METABOLIC EVAL	1,183.29		\$3,450	\$3,623
78811	PET SCAN TUMOR LIMITED	1,183.29		\$3,450	\$3,623

Source: Hospital management.

C(II).7. DISCUSS HOW PROJECTED UTILIZATION RATES WILL BE SUFFICIENT TO MAINTAIN COST-EFFECTIVENESS.

The contract is structured to be risk-free to the hospital. No construction is required; there is no minimum required payment to the vendor and no minimum utilization requirement. The hospital's net operating revenue per procedure exceeds its expenses, so the service will operate with a small positive margin and will be cost-effective from its inception.

C(II).8. DISCUSS HOW FINANCIAL VIABILITY WILL BE ENSURED WITHIN TWO YEARS; AND DEMONSTRATE THE AVAILABILITY OF SUFFICIENT CASH FLOW UNTIL FINANCIAL VIABILITY IS MAINTAINED.

The contract is structured to be risk-free to the hospital. No construction is required; there is no minimum required payment to the vendor and no minimum utilization requirement. The hospital's net operating revenue per procedure will exceed its payment to the vendor, so the service will operate with a small positive margin and will be viable immediately.

C(II).9. DISCUSS THE PROJECT'S PARTICIPATION IN STATE AND FEDERAL REVENUE PROGRAMS, INCLUDING A DESCRIPTION OF THE EXTENT TO WHICH MEDICARE, TENNCARE/MEDICAID, AND MEDICALLY INDIGENT PATIENTS WILL BE SERVED BY THE PROJECT. IN ADDITION, REPORT THE ESTIMATED DOLLAR AMOUNT OF REVENUE AND PERCENTAGE OF TOTAL PROJECT REVENUE ANTICIPATED FROM EACH OF TENNCARE, MEDICARE, OR OTHER STATE AND FEDERAL SOURCES FOR THE PROPOSAL'S FIRST YEAR OF OPERATION.

Southern Tennessee Medical Center serves Medicare, TennCare, Medicaid, and medically underinsured and uninsured patients, including providing limited charity care. Table Eleven below shows the Medicare and TennCare/Medicaid payor mix for the proposed service, which mirrors the hospital's CY2013 payor mix.

Table Thirteen: Medicare and TennCare/Medicaid Revenues, Year One		
	Medicare	TennCare/Medicaid
Gross Revenue	\$204,618	\$58,402
Percent of Gross Revenue	53.9%	15.4%

C(II).10. PROVIDE COPIES OF THE BALANCE SHEET AND INCOME STATEMENT FROM THE MOST RECENT REPORTING PERIOD OF THE INSTITUTION, AND THE MOST RECENT AUDITED FINANCIAL STATEMENTS WITH ACCOMPANYING NOTES, IF APPLICABLE. FOR NEW PROJECTS, PROVIDE FINANCIAL INFORMATION FOR THE CORPORATION, PARTNERSHIP, OR PRINCIPAL PARTIES INVOLVED WITH THE PROJECT. COPIES MUST BE INSERTED AT THE END OF THE APPLICATION, IN THE CORRECT ALPHANUMERIC ORDER AND LABELED AS ATTACHMENT C, ECONOMIC FEASIBILITY--10.

These are provided as Attachment C, Economic Feasibility--10.

C(II)11. DESCRIBE ALL ALTERNATIVES TO THIS PROJECT WHICH WERE CONSIDERED AND DISCUSS THE ADVANTAGES AND DISADVANTAGES OF EACH ALTERNATIVE, INCLUDING BUT NOT LIMITED TO:

A. A DISCUSSION REGARDING THE AVAILABILITY OF LESS COSTLY, MORE EFFECTIVE, AND/OR MORE EFFICIENT ALTERNATIVE METHODS OF PROVIDING THE BENEFITS INTENDED BY THE PROPOSAL. IF DEVELOPMENT OF SUCH ALTERNATIVES IS NOT PRACTICABLE, THE APPLICANT SHOULD JUSTIFY WHY NOT, INCLUDING REASONS AS TO WHY THEY WERE REJECTED.

B. THE APPLICANT SHOULD DOCUMENT THAT CONSIDERATION HAS BEEN GIVEN TO ALTERNATIVES TO NEW CONSTRUCTION, E.G., MODERNIZATION OR SHARING ARRANGEMENTS. IT SHOULD BE DOCUMENTED THAT SUPERIOR ALTERNATIVES HAVE BEEN IMPLEMENTED TO THE MAXIMUM EXTENT PRACTICABLE.

Re-starting this mobile service was very cost-effective because it required no new construction. There is no better alternative for providing the service locally. Local utilization could not cover the costs of a fixed unit; and the contract for this mobile service offers a risk-free, pay-as-you-go opportunity for the hospital to make PET scans available again in this service area.

C(III).1. LIST ALL EXISTING HEALTH CARE PROVIDERS (I.E., HOSPITALS, NURSING HOMES, HOME CARE ORGANIZATIONS, ETC.) MANAGED CARE ORGANIZATIONS, ALLIANCES, AND/OR NETWORKS WITH WHICH THE APPLICANT CURRENTLY HAS OR PLANS TO HAVE CONTRACTUAL AND/OR WORKING RELATIONSHIPS, E.G., TRANSFER AGREEMENTS, CONTRACTUAL AGREEMENTS FOR HEALTH SERVICES.

STMC regularly discharges patients to its two SNF units at the Winchester and Sewanee campuses, and also to Heritage Manor and Mountain View Nursing Home. The hospital frequently refers patients to Winchester Homecare, Middle Tennessee Homecare, and Elk Valley Homecare.

C(III).2. DESCRIBE THE POSITIVE AND/OR NEGATIVE EFFECTS OF THE PROPOSAL ON THE HEALTH CARE SYSTEM. PLEASE BE SURE TO DISCUSS ANY INSTANCES OF DUPLICATION OR COMPETITION ARISING FROM YOUR PROPOSAL, INCLUDING A DESCRIPTION OF THE EFFECT THE PROPOSAL WILL HAVE ON THE UTILIZATION RATES OF EXISTING PROVIDERS IN THE SERVICE AREA OF THE PROJECT.

The principal positive effect will be increased accessibility (in terms of drive time) for many patients in the primary service area. It restores to the service area an important diagnostic test for which the applicant was approved in recent years. There are no existing providers of this service in the primary service area. Patients now drive such long distances to a dozen different Middle Tennessee PET scan providers that estimating impact on them is speculative at best. The Murfreesboro provider that serves 58% (134) of STMC's primary service area patients would likely be most affected. If 80% (107 patients) of these 134 patients chose STMC instead, this would be only a 6.8% negative impact on that provider's very high annual utilization of 1,568 procedures.

C(III).3. PROVIDE THE CURRENT AND/OR ANTICIPATED STAFFING PATTERN FOR ALL EMPLOYEES PROVIDING PATIENT CARE FOR THE PROJECT. THIS CAN BE REPORTED USING FTE'S FOR THESE POSITIONS. IN ADDITION, PLEASE COMPARE THE CLINICAL STAFF SALARIES IN THE PROPOSAL TO PREVAILING WAGE PATTERNS IN THE SERVICE AREA AS PUBLISHED BY THE TENNESSEE DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT AND/OR OTHER DOCUMENTED SOURCES.

Not applicable. The service will not involve employment of any hospital staff.

C(III).4. DISCUSS THE AVAILABILITY OF AND ACCESSIBILITY TO HUMAN RESOURCES REQUIRED BY THE PROPOSAL, INCLUDING ADEQUATE PROFESSIONAL STAFF, AS PER THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, AND/OR THE DIVISION OF MENTAL RETARDATION SERVICES LICENSING REQUIREMENTS.

No additional staff are required to operate this service. STMC is familiar with, and complies with, all State and local licensing requirements applicable to the handling or radiopharmaceuticals.

C(III).5. VERIFY THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSING CERTIFICATION AS REQUIRED BY THE STATE OF TENNESSEE FOR MEDICAL/CLINICAL STAFF. THESE INCLUDE, WITHOUT LIMITATION, REGULATIONS CONCERNING PHYSICIAN SUPERVISION, CREDENTIALING, ADMISSIONS PRIVILEGES, QUALITY ASSURANCE POLICIES AND PROGRAMS, UTILIZATION REVIEW PPOLICIES AND PROGRAMS, RECORD KEEPING, AND STAFF EDUCATION.

The applicant so verifies.

**C(III).6. DISCUSS YOUR HEALTH CARE INSTITUTION'S PARTICIPATION
IN THE TRAINING OF STUDENTS IN THE AREAS OF MEDICINE, NURSING,
SOCIAL WORK, ETC. (I.E., INTERNSHIPS, RESIDENCIES, ETC.).**

Please see Table Fourteen on the following page.

2013

Table Fourteen: STMC Affiliations with Health Professions Training Programs--2013

Institution or Organization	Type of Relationship	Current Contract Start Date	Current Contract End Date
Franklin Co. High School	Clinical Affiliation-Health Occupational Stu	8/1/13	5/31/14
Chattanooga State Tech College	Affiliation Agreement-Pharmacy Tech	6/1/09	6/1/14
UAH - Huntsville	Clinical Affiliation	5/6/08	8/31/14
Motlow College (EMT)	Clinical Affiliation	9/22/10	9/21/14
UTC - OT	Affiliation Agreement	12/1/07	11/30/14
Belmont University	Clinical Affiliation	12/7/11	12/6/14
TN Technology Center	EHH - Medical Asst. & CAN	8/14/11	12/31/14
TN Valley Practical Nursing Program	Clinical Affiliation	1/1/12	12/31/14
Volunteer State Comm College	PT Clinical Exp	2/1/12	1/31/15
Motlow(students clinical experience)	Clinical Affiliation	6/11/10	6/11/15
Chattanooga State (PTA & Pharm Tech)	Clinical Affiliation	1/1/11	6/30/15
Meridian Institute	Clinical Affiliation	2/1/14	1/31/16
Tennessee State University	Clinical Affiliation	4/1/11	3/31/16
University of Tennessee-Memphis	Clinical Affiliation	4/1/12	3/30/17
Univ of the South, Grundy EMS	Clinical Affiliation - EMT	7/1/14	7/1/17
Middle TN State University	Clinical Affiliation	9/1/12	8/31/17
Chattanooga State Community College	Clinical Affiliation - Paramedic	7/1/13	6/30/18
TN Board of Regents	Clinical Affiliaiton - AMG/Palmer	7/12/13	7/31/18
TN Board of Regents	Clinical Affiliation - AMG/R. Milner	9/6/13	9/5/18
Vanderbilt School of Nursing	AMG-Southern TN Palmer Clinic	12/3/13	open
Alabama A & M	Speech Pathology	3/18/13	open
Fortis Institute	MLT/RT Program	10/17/11	open
Fortis Institute	MLT & Cardiovascular Tech	4/3/12	open
Fortis Institute - Nashville	MLT/ST/Cardiovascular Tech	7/30/12	open
Middle TN School of Anes.	CRNA Students	4/19/07	open
Wallace State Community College	Clinical Affiliation	7/21/13	open

Source: STMC management.

C(III).7(a). PLEASE VERIFY, AS APPLICABLE, THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSURE REQUIREMENTS OF THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, THE DIVISION OF MENTAL RETARDATION SERVICES, AND/OR ANY APPLICABLE MEDICARE REQUIREMENTS.

The applicant so verifies.

C(III).7(b). PROVIDE THE NAME OF THE ENTITY FROM WHICH THE APPLICANT HAS RECEIVED OR WILL RECEIVE LICENSURE, CERTIFICATION, AND/OR ACCREDITATION

LICENSURE: Board for Licensure of Healthcare Facilities
Tennessee Department of Health

CERTIFICATION: Medicare Certification from CMS
TennCare Certification from TDH

ACCREDITATION: Joint Commission

C(III).7(c). IF AN EXISTING INSTITUTION, PLEASE DESCRIBE THE CURRENT STANDING WITH ANY LICENSING, CERTIFYING, OR ACCREDITING AGENCY OR AGENCY.

The applicant is currently licensed in good standing by the Board for Licensing Health Care Facilities, certified for participation in Medicare and Medicaid/TennCare, and fully accredited by the Joint Commission on Accreditation of Healthcare Organizations.

C(III).7(d). FOR EXISTING LICENSED PROVIDERS, DOCUMENT THAT ALL DEFICIENCIES (IF ANY) CITED IN THE LAST LICENSURE CERTIFICATION AND INSPECTION HAVE BEEN ADDRESSED THROUGH AN APPROVED PLAN OF CORRECTION. PLEASE INCLUDE A COPY OF THE MOST RECENT LICENSURE/CERTIFICATION INSPECTION WITH AN APPROVED PLAN OF CORRECTION.

They have been addressed. A copy of the most recent licensure inspection and plan of correction, and/or the most recent accreditation inspection, are provided in Attachment C, Orderly Development--7(C).

C(III)8. DOCUMENT AND EXPLAIN ANY FINAL ORDERS OR JUDGMENTS ENTERED IN ANY STATE OR COUNTRY BY A LICENSING AGENCY OR COURT AGAINST PROFESSIONAL LICENSES HELD BY THE APPLICANT OR ANY ENTITIES OR PERSONS WITH MORE THAN A 5% OWNERSHIP INTEREST IN THE APPLICANT. SUCH INFORMATION IS TO BE PROVIDED FOR LICENSES REGARDLESS OF WHETHER SUCH LICENSE IS CURRENTLY HELD.

None.

C(III)9. IDENTIFY AND EXPLAIN ANY FINAL CIVIL OR CRIMINAL JUDGMENTS FOR FRAUD OR THEFT AGAINST ANY PERSON OR ENTITY WITH MORE THAN A 5% OWNERSHIP INTEREST IN THE PROJECT.

None.

C(III)10. IF THE PROPOSAL IS APPROVED, PLEASE DISCUSS WHETHER THE APPLICANT WILL PROVIDE THE THSDA AND/OR THE REVIEWING AGENCY INFORMATION CONCERNING THE NUMBER OF PATIENTS TREATED, THE NUMBER AND TYPE OF PROCEDURES PERFORMED, AND OTHER DATA AS REQUIRED.

Yes. The applicant will provide the requested data consistent with Federal HIPAA requirements.

PROOF OF PUBLICATION

Attached.

DEVELOPMENT SCHEDULE

1. PLEASE COMPLETE THE PROJECT COMPLETION FORECAST CHART ON THE NEXT PAGE. IF THE PROJECT WILL BE COMPLETED IN MULTIPLE PHASES, PLEASE IDENTIFY THE ANTICIPATED COMPLETION DATE FOR EACH PHASE.

The Project Completion Forecast Chart is provided after this page.

2. IF THE RESPONSE TO THE PRECEDING QUESTION INDICATES THAT THE APPLICANT DOES NOT ANTICIPATE COMPLETING THE PROJECT WITHIN THE PERIOD OF VALIDITY AS DEFINED IN THE PRECEDING PARAGRAPH, PLEASE STATE BELOW ANY REQUEST FOR AN EXTENDED SCHEDULE AND DOCUMENT THE "GOOD CAUSE" FOR SUCH AN EXTENSION.

Not applicable. The applicant anticipates completing the project within the period of validity.

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision Date, as published in Rule 68-11-1609(c):

5-28-14

Assuming the CON decision becomes the final Agency action on that date, indicate the number of days from the above agency decision date to each phase of the completion forecast.

PHASE	DAYS REQUIRED	Anticipated Date (MONTH /YEAR)
1. Architectural & engineering contract signed		
2. Construction documents approved by TDH		
3. Construction contract signed		
4. Building permit secured		
5. Site preparation completed		
6. Building construction commenced		
7. Construction 40% complete		
8. Construction 80% complete		
9. Construction 100% complete		
10. * Issuance of license		
11. *Initiation of service	63	8-1-14
12. Final architectural certification of payment		
13. Final Project Report Form (HF0055)		

*** For projects that do NOT involve construction or renovation: please complete items 10-11 only.**

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

INDEX OF ATTACHMENTS

A.4	Ownership--Legal Entity and Organization Chart (if applicable)
A.6	Site Control
B.II.E.1.	Fixed Major Medical Equipment--FDA Approval Documentation
B.II.E.2.	Mobile Major Medical Equipment--Vendor Letter on FMV, Route
B.II.E.3	Major Medical Equipment--Vendor Contract
B.III.	Plot Plan
B.IV.	Floor Plan
C, Need--1.A.3.	Letters of Intent & Qualifications
C, Need--3	Service Area Maps
C, Economic Feasibility--2	Documentation of Availability of Funding
C, Economic Feasibility--10	Financial Statements
C, Orderly Development--7(C)	Licensing & Accreditation Inspections
Miscellaneous Information	
Support Letters	

A.4--Ownership
Legal Entity and Organization Chart

Board for Licensing Health Care Facilities



State of Tennessee

0000000139

No. of Beds 0152

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to
SOUTHERN TENNESSEE MEDICAL CENTER, LLC *to conduct and maintain a*

Hospital

SOUTHERN TENNESSEE MEDICAL CENTER

Located at

185 HOSPITAL ROAD, WINCHESTER

County of

FRANKLIN

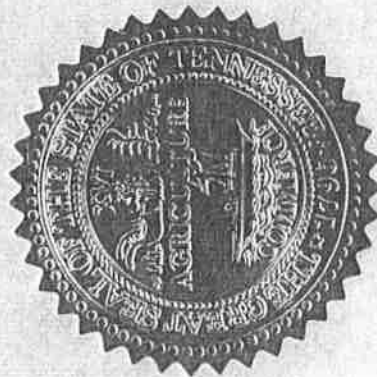
, Tennessee.

This license shall expire MARCH 16, 2014, *and is subject*
to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable,
and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the
laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.

In Witness Whereof, we have hereunto set our hand and seal of the State this 16TH *day of* MARCH, 2013.

GENERAL HOSPITAL
PEDIATRIC PRIMARY HOSPITAL

In the Distinct Category(ies) of:



By

James J. Davis, MPH
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By

John J. Davis, MPH
COMMISSIONER

Southern Tennessee Medical Center, LLC

Winchester, TN

has been Accredited by



The Joint Commission

Which has surveyed this organization and found it to meet the requirements for the

Hospital Accreditation Program

February 2, 2013

Accreditation is customarily valid for up to 36 months.

Rebecca J. Patchin MD

Rebecca J. Patchin, MD.
Chair, Board of Commissioners

Organization ID #: 3796

Print/Reprint Date: 04/10/13

Mark R. Chassin

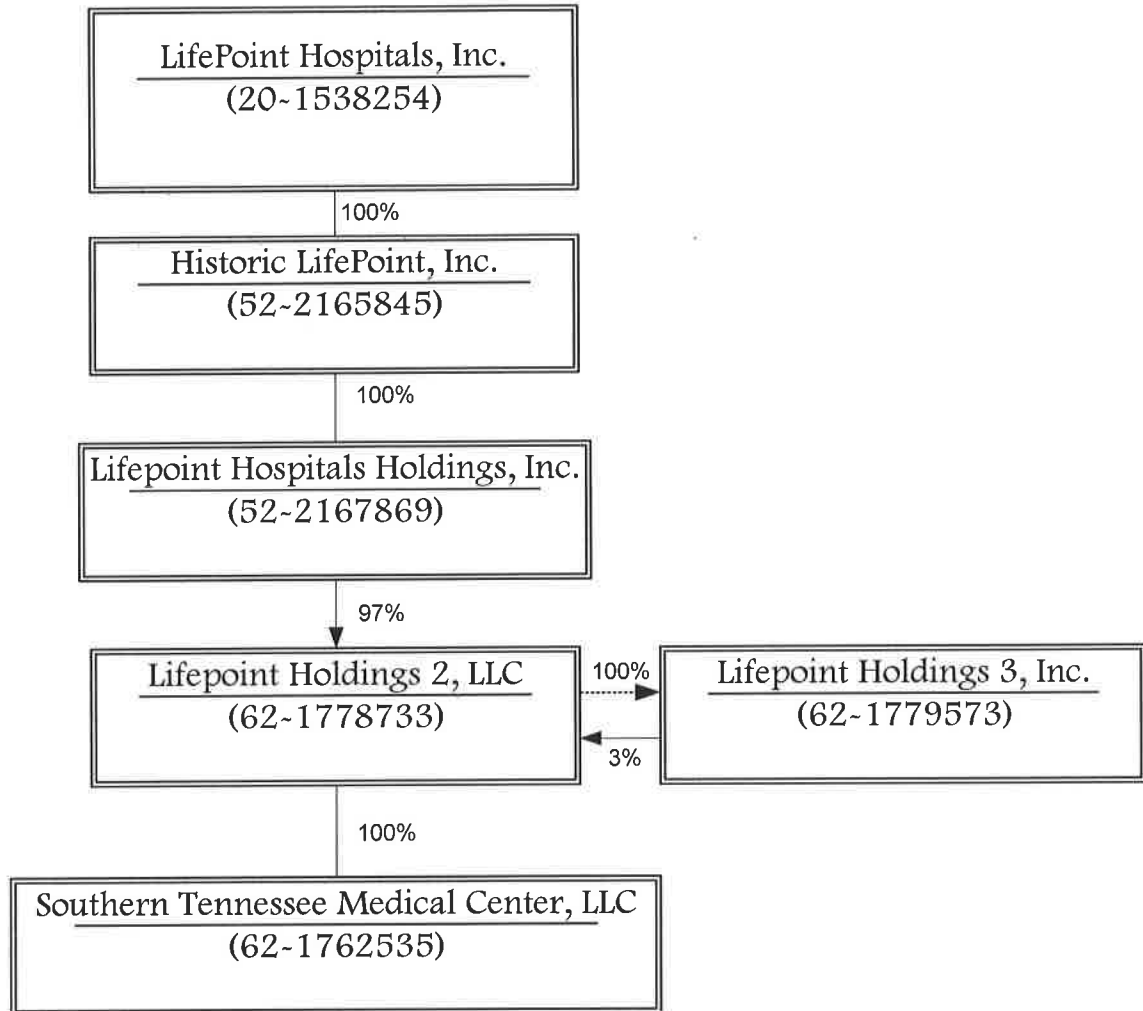
Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit, national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



This reproduction of the original accreditation certificate has been issued for use in regulatory/payer agency verification of accreditation by The Joint Commission. Please consult Quality Check on The Joint Commission's website to confirm the organization's current accreditation status and for a listing of the organization's locations of care.

Southern Tennessee Medical Center, LLC Ownership Structure



CORPORATE OWNERSHIP CHANGES AND NAME CHANGES IN THE FOLLOWING DOCUMENTS

Cannon Community Hospital, Inc. was organized in January 1979, as an HCA facility. In February 1980, it changed its name to Stones River Hospital, Inc.

Stones River Hospital, Inc. acquired Methodist Hospital of Middle Tennessee, in Winchester, by warranty deed on May 28, 1993. That transaction included the satellite facility in Sewanee, Emerald Hodgson Hospital.

Southern Tennessee Medical Center, LLC, was established in Delaware on November 9, 1998 (refiling on December 31, 1998). It qualified to do business in Tennessee on December 29, 1998. this LLC was part of a spinoff of HCA hospitals that resulted in the creation of LifePoint Hospitals. The CON applicant in this project is a LifePoint hospital.

On December 30, 1998, Southern Tennessee Medical Center, LLC acquired the assets of Stones River Hospital, Inc., which included the Winchester and Sewanee facilities currently licensed together as Southern Tennessee Medical Center.

Secretary of State**Division of Business Services****312 Eighth Avenue North****8th Floor, William R. Snodgrass Tower****Nashville, Tennessee 37243**

DATE: 03/16/01
 REQUEST NUMBER: 4147-3238
 TELEPHONE CONTACT: (615) 741-2286
 FILE DATE/TIME: 03/15/01
 EFFECTIVE DATE/TIME:
 CONTROL NUMBER: 0363450

TO:
 SOUTHERN TENNESSEE MEDICAL CENTER LLC
 103 POWELL CT
 STE 200
 BRENTWOOD, TN 37027

RE:
 SOUTHERN TENNESSEE MEDICAL CENTER, LLC
 ANNUAL REPORT - LIMITED LIABILITY COMPANY

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE.

RE: ANNUAL REPORT - LIMITED LIABILITY COMPANY

ON DATE: 03/16/01

FROM:
 LIFEPOINT CORPORATE OFFICE (103 POWELL)
 3 POWELL CT STE
 0
 BRENTWOOD, TN 37027-0000

	FEE	
RECEIVED:	\$300.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$300.00

RECEIPT NUMBER: 00002829820
 ACCOUNT NUMBER: 00332007



Riley C. Darnell

RILEY C. DARNELL
 SECRETARY OF STATE

State of Tennessee



Department of State

Corporation Section

12th Floor, James K. Polk Bldg.
Nashville, TN 37203-0006

FORM NO. 601 (1-87)

For Office Use Only

APPLICATION FOR
CERTIFICATE OF AUTHORITY

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR:

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of §48A-45-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth any lawfully permitted business, including businesses relating to healthcare.

1. The name of the Limited Liability Company is: Southern Tennessee Medical Center, LLC

If different, the name under which the certificate of authority is to be obtained is:

NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48A-7-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48A-7-101(d).

2. The state or country under whose law it is formed is: Delaware3. The date of its organization is: November 9, 1998 (must be month, day and year)

4. The complete street address (including zip code) of its principal office is:

1013 Centre Road
Street City/State Zip Code
Wilmington DE 19805

5. The complete street address (including the county and the zip code) of its registered office in Tennessee:

500 Tallan Building Two Union Sq. Chattanooga TN 37402
Street City/State County Zip Code

The name of its registered agent at that office is: Corporation Service Company6. Please insert the number of members at the date of filing 1

NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

12-29-98
Signature Date
Vice President
Signer's Capacity

Southern Tennessee Medical Center, LLC
Name of Limited Liability Company
John M. Franck II
Signature
John M. Franck II
Name (typed or printed)

SS-000

RDA Per

(TR - LLC - 3372 - 12/29/97)

Office of the Secretary of State

PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "SOUTHERN TENNESSEE MEDICAL CENTER, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTY-FIRST DAY OF DECEMBER, A.D. 1998.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE NOT BEEN ASSESSED TO DATE.



Edward J. Freel

Edward J. Freel, Secretary of State

AUTHENTICATION

1964663 8300

DATE

7493714

75-5-0675

12 31-98

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF LIMITED LIABILITY COMPANY OF "SOUTHERN TENNESSEE MEDICAL CENTER, LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF NOVEMBER, A.D. 1998, AT 9 O'CLOCK A.M.

2964663 8100

981431215

9399751

11-12-98

STONES RIVER HOSPITAL, INC.
SOUTHERN TENNESSEE MEDICAL CENTER, LLC
BILL OF SALE AND ASSIGNMENT

This BILL OF SALE AND ASSIGNMENT (the "Bill of Sale and Assignment") is made effective as of the Effective Time (as defined below), by and between Stones River Hospital, Inc., a Tennessee corporation (the "Seller") and Southern Tennessee Medical Center, LLC, a Delaware limited liability company (the "Buyer").

WHEREAS, the Seller wishes to transfer, and the Buyer wishes to acquire, certain of the Seller's assets;

NOW, THEREFORE, for good and valuable consideration to it in hand paid by the Buyer, the receipt and sufficiency of which are hereby acknowledged and confessed by the Seller:

ARTICLE I
ASSIGNMENT

1.1. Assignment and Sale of Assets. The Seller does hereby sell, transfer, assign, convey and deliver to the Buyer, its successors and assigns, forever, all of its right, title and interest in and to the following assets (collectively, the "Transferred Assets"):

- (i) Southern Tennessee Medical Center and any assets that are used in connection with the management or operation of Southern Tennessee Medical Center, including, but not limited to, the related assets set forth on Annex A hereto, but excluding the assets set forth on Annex B hereto (collectively, the "Hospital");
- (ii) the real property and personal property owned by the Seller and used in connection with the management or operation of the Hospital (the "Property");
- (iii) all leases and contracts affecting or relating to the Hospital or the Property;
- (iv) to the extent they may be transferred or assigned under applicable law or contract, all licenses, permits and authorizations presently issued or in effect in connection with the operation of all or any part of the Hospital or the Property as they are presently being operated; and

- (v) to the extent they may be transferred or assigned under applicable law or contract, all trade names and all general intangibles relating to the Hospital or the Property.

The Buyer is assuming no liabilities or obligations whatsoever of the Seller of any kind or nature except for the liabilities and obligations relating to the Transferred Assets other than the indebtedness set forth on Annex C hereto (the "Indebtedness"), which Indebtedness shall be retained by the Seller.

1.2. Assumption of Liabilities. The Buyer hereby assumes all of the liabilities and obligations of the Seller relating to the Transferred Assets other than the Indebtedness.

1.3. Assignment of Warranties. The Seller hereby assigns to the Buyer, with full right of subrogation, to the extent so transferable, the benefit of and the right to enforce the warranties, if any, which the Seller is entitled to enforce with respect to the Transferred Assets assigned in Section 1.1 hereunder.

1.4. Effective Time. This Bill of Sale and Assignment shall be effective as of 12:01 a.m., local time of the principal place of business of the Hospital, on January 1, 1999 (the "Effective Time").

1.5. Deliveries. The Seller agrees, at any time and from time to time after the Effective Time, upon the request of the Buyer, to do, execute, acknowledge and deliver, or to cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required for the better assigning, transferring, conveying, and confirming to the Buyer, or to its successors and assigns, or for the aiding, assisting, collecting and reducing to possession of, any or all of the Transferred Assets.

ARTICLE II
MISCELLANEOUS

2.1. Successors and Assigns. This Bill of Sale and Assignment shall bind and inure to the benefit of each of the Seller and the Buyer and their respective successors and assigns.

2.2. Applicable Law. This Bill of Sale and Assignment shall be governed by the laws of the State of Delaware.

2.3. Amendments. No amendment or modification of this Bill of Sale and Assignment shall be effective unless it is set forth in writing and signed by both parties to this Bill of Sale and Assignment.

2.4. Counterparts. This Bill of Sale and Assignment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Bill of Sale and Assignment to be executed by their duly authorized representatives on the 30th day of December, 1998, but effective as of the Effective Time.

STONES RIVER HOSPITAL, INC.

By R. Milton Johnson
Name: R. Milton Johnson
Title: Vice President

SOUTHERN TENNESSEE MEDICAL
CENTER, LLC

By John M. Franck II
Name: John M. Franck II
Title: Vice President

ANNEX A

Assets Related to Southern Tennessee Medical Center

Southern Tennessee Medical Center (HOS 36227)*

Southern Tennessee MOB NEW (OTH 37218)*

Southern Tennessee MOB FITE (OTH 37217)*

Emerald Hodgson Healthcare (OTH 36217)*

Emerald Hodgson (Sewanee Clinic) (HOS 36224)*

Southern Tennessee Skilled Nursing Facility (OTH 36216)*

The company identification numbers included on this Annex A are for internal informational purposes only.

Excluded Assets

Southern Tennessee Home Care (HHA 36212)*

All interests owned by the Seller in any partnership, limited liability company, corporation or other entity.

All indebtedness owed to the Seller by Columbia/HCA Healthcare Corporation or any affiliate thereof, including, without limitation, all indebtedness owed to the Seller by C/HCA Capital, Limited Partnership.

The company identification number indicated on this Annex B is for internal informational purposes only.

Indebtedness

A)

All indebtedness owed by the Seller to Columbia/HCA Healthcare Corporation or its affiliate thereof, including, without limitation, all indebtedness owed by the Seller to C/HCA Capital, Limited Partnership.

- (iv) to the extent they may be transferred or assigned under applicable law or contract, all licenses, permits and authorizations presently issued or in effect in connection with the operation of all or any part of the Home Health Agency or the Property as they are presently being operated; and
- (v) to the extent they may be transferred or assigned under applicable law or contract, all trade names and all general intangibles relating to the Home Health Agency or the Property.

The Buyer is assuming no liabilities or obligations whatsoever of the Seller of any kind or nature except for the liabilities and obligations relating to the Additional Transferred Assets other than the indebtedness set forth on Annex C hereto (the "Indebtedness"), which Indebtedness shall be retained by the Seller.

1.2 Assumption of Liabilities. The Buyer hereby assumes all of the liabilities and obligations of the Seller relating to the Additional Transferred Assets other than the Indebtedness.

1.3 Assignment of Warranties. The Seller hereby assigns to the Buyer, with full right of subrogation, to the extent so transferable, the benefit of and the right to enforce the warranties, if any, which the Seller is entitled to enforce with respect to the Additional Transferred Assets assigned in Section 1.1 hereunder.

1.4 Effective Time. This Amendment shall be effective as of 12:01 a.m., local time of the principal place of business of Southern Tennessee Medical Center, on January 1, 1999 (the "Effective Time").

1.5 Deliveries. The Seller agrees, at any time and from time to time after the Effective Time, upon the request of the Buyer, to do, execute, acknowledge and deliver, or to cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required for the better assigning, transferring, conveying, and confirming to the Buyer, or to its successors and assigns, or for the aiding, assisting, collecting and reducing to possession of, any or all of the Additional Transferred Assets.

ARTICLE II MISCELLANEOUS

2.1 Successors and Assigns. This Amendment shall bind and inure to the benefit of each of the Seller and the Buyer and their respective successors and assigns.

2.2 Applicable Law. This Amendment shall be governed by the laws of the State of Delaware.

2.3 Amendments. No amendment or modification of this Amendment shall be effective unless it is set forth in writing and signed by both parties to this Amendment.

2.4 Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this
Amendment to be executed by their duly authorized representatives on the 31 day of
January, 1999 but effective as of the Effective Time.

STONES RIVER HOSPITAL, INC.

By R. Milton Johnson
Name: R. Milton Johnson
Title: Vice President

SOUTHERN TENNESSEE MEDICAL
CENTER, LLC

By John M. Franck II
Name: John M. Franck II
Title: Vice President

A.6--Site Control

SECTION A:6.

ATTACHMENT ONE B

This instrument prepared by:
William A. Carson, II, Esq.
Armstrong Allen Prewitt
Gentry Johnston & Holmes
1900 One Commerce Square
Memphis, Tennessee 38103

Tax Parcel Identification
Nos. 01-76B-8, 04-123P-C, 1.00
and 017-035B-C - 2.00

WARRANTY DEED

THIS INDENTURE is made and entered into this 28th day of Nov., 1993 by and between METHODIST HOSPITAL OF MIDDLE TENNESSEE (successor by name change to Franklin County Regional Hospital, Inc.), a Tennessee not-for-profit corporation, Grantor, and STONES RIVER HOSPITAL, INC., a Tennessee corporation, Grantee.

WITNESSETH:

That for and in consideration of Ten Dollars (\$10.00), cash in hand paid, and other good and valuable considerations, the receipt of all of which is hereby acknowledged, Grantor has bargained and sold and does hereby bargain, sell, convey and confirm unto Grantee, the following described real estate:

PARCEL 1

Situated and being in the City of Winchester, Franklin County, Tennessee, more particularly described as:

BEGINNING at an iron pin, said point lying in the southerly right-of-way of U. S. Highway 64, S 65°-10'-00" E 30.02 feet from Highway Station 85+72.6; thence with the southerly right-of-way of U. S. Highway 64 S 65°-10'-00" E 607.59 feet to a point in the westerly right-of-way of Hospital Road; thence with the westerly right-of-way of Hospital Road S 22°-30'-00" W 1521.56 feet to an iron pin; thence N 67°-30'-00" W 363.25 feet to a point in the easterly right-of-way of Hospital Road; thence with the easterly right-of-way of Hospital Road two calls; N 11°-06'-03" E 221.80 feet and N 22°-30'-00" E 1328.84 feet to the point of beginning.

Being the same property conveyed to Grantor by warranty deed recorded in Deed Book 195, Page 748, Register's Office, Franklin County, Tennessee.

PARCEL 2

Situated and being in the City of Huntland, Franklin County, Tennessee, more particularly described as:

BEGINNING at a point in the Southwest corner of a lot formerly known as the Huntland Clinic property, but now occupied by the Huntland City Hall; thence with Bonner's North boundary South 80 deg. West 200 feet to a point in the centerline of Tennessee Highway No. 97; thence along the centerline of said Highway North 6 deg. 45 min. West 70 feet; thence South 80 deg. East 190 feet to the Western boundary of the Huntland City Hall tract; thence with said West boundary South 10 deg. East 70 feet to the point of beginning.

Being the same property conveyed to Grantor by warranty deed recorded in Deed Book 291, Page 325, said Register's Office.

C. PHILLIP HAYES
FRANKLIN COUNTY
PROPERTY ASSESSOR

Situated and being in the City of Estill Springs, Franklin County, Tennessee, more particularly described as:

BEGINNING at a metal stake located in the southwardly margin of U.S. Highway 41A in the City of Estill Springs, Tennessee, said point of beginning being the Northwest corner of the property herein described; thence South 53 deg. 13 min. West 131.10 feet to an iron pin; said iron pin being the southwest corner of the property herein described; thence South 36 deg. 55 min. East 100 feet to a point, said point being North 36 deg. 55 min. West 117.34 feet from a concrete marker located in the northerly margin of Hudgins Street, said point being the southeast corner of the property herein conveyed; thence North 53 deg. 15 min. East 131.10 feet to a railroad spike, said point being the northeast corner of the property herein described; thence running along the southerly margin of U.S. Highway 41A North 36 deg. 55 min. West 100 feet to an iron pin, said iron pin being the point of beginning.

Being the same property conveyed to Grantor by warranty deed recorded in Deed Book 216, Page 610, said Registrar's Office.

TO HAVE AND TO HOLD the aforesaid real estate together with all the appurtenances and hereditaments thereunto belonging or in any wise appertaining unto Grantee, its successors and assigns in fee simple forever.

Grantor does hereby covenant with said Grantee that it is lawfully seized in fee of the aforesaid real estate; that it has a good right to sell and convey the same; that the same is unencumbered, except as set forth in Exhibit A attached hereto, and that the title and quiet possession thereto it will warrant and forever defend against the lawful claims of all persons.

IN WITNESS WHEREOF, Grantor, acting through its duly authorized officer, has executed this instrument the day and year first above written.

METHODIST HOSPITAL OF
MIDDLE TENNESSEE

BY:

Its:

Maurice W. Elliott
President

STATE OF Tennessee
COUNTY OF Shelby

Before me, Judith D. Lamberth, of the state and county aforesaid, personally appeared Maurice W. Elliott, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the president of Methodist Hospital of Middle Tennessee, the within named bargainor, a Tennessee not-for-profit corporation, and that he as such president, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself as the president.

WITNESS my hand and seal at office on this 28th day of May, 1993.

[Signature]
Notary Public

My Commission Expires:

My Commission Expires April 1, 1996

Property Addresses: Parcel 1 - 185 Hospital Road
Winchester, Tennessee 37398

Parcel 2 - Main Street
Huntland, Tennessee 37345

Parcel 3 - 308 E. Main Street
Estill Springs, Tennessee 37330

Mail Tax Bills To: Stones River Hospital, Inc.
4525 Harding Road
Nashville, Tennessee 37205

I hereby swear or affirm that, to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$ 8,578,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

[Signature]
Affiant

Subscribed and sworn to before me this 1st day of June, 1993.

[Signature]
Notary Public



My Commission Expires:

1/23/94

STATE OF TENNESSEE, FRANKLIN COUNTY
The foregoing instrument and certificate were noted in date book 8, page 146, at 4:05
o'clock P. on the 1 day of June, 1993 and recorded in Deed
book 252, page 796. State Tax fee \$1,733.40, Fee \$1.00, Recording Fee \$16.00
Total \$1,750.40
Witness my hand. Receipt No. 22663 [Signature]
DHOR

1. City of Winchester taxes for the year 1993, a lien, but not now due or payable. (Parcel 1)
2. City of Huntland taxes for the year 1993, a lien, but not now due or payable. (Parcel 2)
3. City of Estill Springs taxes for the year 1993, a lien, but not now due or payable. (Parcel 3)
4. Franklin County taxes for the year 1993, a lien but not now due or payable. (Parcels 1, 2, and 3)
5. 12 foot right-of-way as set out in Warranty Deed recorded in Deed Book 173, Page 531, Register's Office, Franklin County, Tennessee. (Parcel 3)
6. Rights or claims of tenants in possession by leases or other agreements as follows:

Physician Office lease	Description	Term	Parcel
Dr. Zohler	1,117 sq. ft. in MOORE MOB	1/1/91- 12/31/95 Tenant has option to renew for unspecified term	1
Dr. Dockrill	Family medical clinic, Huntland, Tennessee	Tenant to vacate by 6/1/93	2
Dr. Hubbard	1,117 sq. ft. in MOORE MOB	1/1/91- 12/31/95	1
Iye Care Clinic, P.C.	2,480 sq. ft. in MOORE MOB	7/1/92- 7/1/96 Tenant has option to renew for 1 year	1
Dr. Bagby	1,100 sq. ft. in MOORE MOB	9/1/89- 8/31/92 continued month-to- month	1
Dr. Strickland	308 Main Street, Estill Springs, TN 2,031 square feet	8/1/92- 8/1/93 Tenant has option to renew for 1 year	3
Dr. Frye	1,200 sq. ft. in MOORE MOB	10/1/91- 9/30/94 3 year renewal option	1
Associated Pathologists, P.C.	1,200 sq. ft. in in MOORE MOB	Verbal agreement since October, 1990	1
Dr. Brown	1,117 sq. ft. in in MOORE MOB	Verbal, month-to-month	1
Dr. Norton	2,430 sq. ft. in in MOORE MOB	Verbal, month-to-month	1
Dr. Lappie	1,267 sq. ft. in in MOORE MOB	Verbal, month-to-month	1
ARI & Associates	1,267 sq. ft. in in MOORE MOB	Verbal, month-to-month	1

The foregoing instrument and certificate were noted in Deed Book 146 at 4:05
 o'clock P. M. on the 1 day of June, 1993 and recorded in Deed
 Book 228 page 796, State Tax Paid \$4,755.60, Fee \$1.00, Recording Fee \$16.00
 Total \$ 31,755.60
 Witness my hand. Notary No. 22613 Cassidy Amacher
 EXHIBIT 2 DR

**B.II.E.1.--Fixed Major Medical Equipment
FDA Approval Documentation**



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Food and Drug Administration
8200 Corporate Boulevard
Rockville MD 20850

JUN 2 2 2004

GE Healthcare
% Mr Tomas Borsai
Program Manager
TUV Rheinland of North America
12 Commerce Road
NEWTOWN CT 06470

Re: K041543

Trade/Device Name: GE Discovery ST
Regulation Number: 21 CFR 892.1200
Regulation Name: Emission computed tomography system
Regulation Number: 21 CFR 892.1750
Regulation Name: Computed tomography x-ray system
Regulatory Class: II
Product Code: 90 KPS and JAK
Dated: June 3, 2004
Received: June 8, 2004

Dear Mr. Borsai:

We have reviewed your Section 510(k) premarket notification of intent to market the device referenced above and have determined the device is substantially equivalent (for the indications for use stated in the enclosure) to legally marketed predicate devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments, or to devices that have been reclassified in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (Act) that do not require approval of a premarket approval application (PMA). You may, therefore, market the device, subject to the general controls provisions of the Act. The general controls provisions of the Act include requirements for annual registration, listing of devices, good manufacturing practice, labeling, and prohibitions against misbranding and adulteration.

If your device is classified (see above) into either class II (Special Controls) or class III (PMA), it may be subject to such additional controls. Existing major regulations affecting your device can be found in the Code of Federal Regulations, Title 21, Parts 800 to 898. In addition, FDA may publish further announcements concerning your device in the Federal Register.

Please be advised that FDA's issuance of a substantial equivalence determination does not mean that FDA has made a determination that your device complies with other requirements of the Act or any Federal statutes and regulations administered by other Federal agencies. You must comply with all the Act's requirements, including, but not limited to: registration and listing (21 CFR Part 807); labeling (21 CFR Part 801); good manufacturing practice requirements as set forth in the quality systems (QS) regulation (21 CFR Part 820); and if applicable, the electronic product radiation control provisions (Sections 531-542 of the Act); 21 CFR 1000-1050.

Page 2

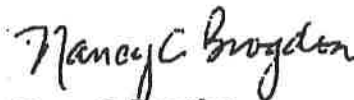
This letter will allow you to begin marketing your device as described in your Section 510(k) premarket notification. The FDA finding of substantial equivalence of your device to a legally marketed predicate device results in a classification for your device and thus, permits your device to proceed to the market.

If you desire specific advice for your device on our labeling regulation (21 CFR Part 801), please contact the Office of Compliance at one of the following numbers, based on the regulation number at the top of the letter:

8xx.1xxx	(301) 594-4591
876.2xxx, 3xxx, 4xxx, 5xxx	(301) 594-4616
884.2xxx, 3xxx, 4xxx, 5xxx, 6xxx	(301) 594-4616
892.2xxx, 3xxx, 4xxx, 5xxx	(301) 594-4654
Other	(301) 594-4692

Additionally, for questions on the promotion and advertising of your device, please contact the Office of Compliance at (301) 594-4639. Also, please note the regulation entitled, "Misbranding by reference to premarket notification" (21CFR Part 807.97) you may obtain. Other general information on your responsibilities under the Act may be obtained from the Division of Small Manufacturers, International and Consumer Assistance at its toll-free number (800) 638-2041 or (301) 443-6597 or at its Internet address <http://www.fda.gov/cdrh/dsma/dsmamain.html>.

Sincerely yours,



Nancy C. Brogdon
Director, Division of Reproductive,
Abdominal and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health

Enclosure

Indications for Use

510(k) Number (if known): K041543

Device Name: GE Discovery ST

Indications for Use:

The GE Discovery ST system is intended for head and whole body attenuation corrected Positron Emission Tomography (PET) imaging and localization of emission activity in patient anatomy by means of integrated PET and CT images.

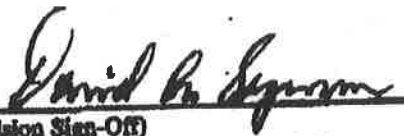
The Discovery ST is to be used by trained health care professionals for imaging the distribution of radiopharmaceuticals in the body for the assessment of metabolic (molecular) and physiologic functions. This can assist in the evaluation, diagnosis, staging, restaging, and follow up of lesions, disease and organ function such as (but not limited to) cancer, cardiovascular disease, and brain dysfunction. This device can also assist in radiotherapy planning.

The Discovery ST system can also be used as a stand-alone head and whole body multi-slice computed tomography (CT) diagnostic imaging system.

Prescription Use ✓ ~~AND/OR~~ Over-the-Counter Use _____
(21 CFR 801 Subpart D) (21 CFR 807 Subpart C)

(PLEASE DO NOT WRITE BELOW THIS LINE - CONTINUE ON ANOTHER PAGE IF NEEDED)

Concurrence of CDHR, Office of Device Evaluation (ODE)


(Division Sign-Off)
Division of Reproductive, Abdominal,
and Radiological Devices
510(k) Number K041543



GE Healthcare Technologies

510(K) Decision – PET Highlander

System configurations

The Highlander program results in 3 PET/CT system configurations, which are identical except for the PET detector. Each will use the 4, 8, or 16 slice LightSpeed CT system. 510(k) coverage for these systems is as follows:

<u>System configuration</u>	<u>510(k)</u>
Discovery ST (BGO detector crystals in a 6X6 matrix)	K022872 (original 510(k)) K030199 (mobile) K041220 (revised intended use) K041543 (Hpower)
Discovery HR-BGO (BGO detector crystals in an 8X6 matrix)	No 510(k) required per 510(k) decision document dated 9/14/04, D. Duersteler.
Discovery HRS (LYSO detector crystals in a 9X6 matrix)	K042257

Single Host

The Highlander program will move all CT and PET acquisition, recon, display, etc. functionality to a single host PC and will remove the Xeleris workstation previously used for PET functions.

Features

The Highlander program will implement several new features of which the major ones are described in the table below:

Feature	Highlander	
3D Iterative Recon	3D iterative recon is provided in addition to the current FORE (fourier rebinning) 3D method. 3D iterative recon is an adaptation of existing 2D iterative recon algorithms. Basic backprojection and forward projection methods and algorithms are still used.	This is an extension of current techniques, not a new algorithm or operating principle. Clinical data is not necessary to evaluate safety and effectiveness for purposes of determining substantial equivalence. This is an incremental change that can be validated by GE, and results of design validation have not raised, nor are they expected to raise new issues of safety and effectiveness.
Flexible CTAC	The current PET/CT scan prescription	Extension of current method of gathering

	for PET attenuation correction is limited to a single helical CT covering an integral number of PET axial FOVs. A wide variety of CT acquisition modes should be able to be used to attenuation correct a PET scan series.	CT attenuation data, not a new algorithm. Clinical data is not necessary to evaluate safety and effectiveness for purposes of determining substantial equivalence, this is an incremental change that can be validated by GE, and results of design validation have not raised nor are they expected to raise new issues of safety and effectiveness.
Wideview CTAC	The primary purpose of the WVCT is for more accurate attenuation correction for cases where the subject being imaged extends beyond the standard 50cm CT FOV.	Same comment as above for Flexible CTAC.
Enhancement of DMPR for PET	The system will provide the capability to automatically view CT and PET images as reconstruction is completed. The auto-view includes the ability to automatically reformat transaxial images into sagittal, coronal, and/or MIP views and display the reformatted views as they are being developed. Currently, the Xeleris workstation is used for Display of PET images, and Images are automatically networked to the Xeleris after the entire acquisition is complete and all images are reconstructed.	Automates display of reformatted images on console, instead of waiting for transfer of images to Xeleris for reformatting. There are no new recon or reformat algorithms or methods. Currently exists on Pathfinder console for CT DMPR, for which No 510(k) was determined necessary in "Pathfinder 510(k) Decision Tree", dated April 26, 2004, M. Orellou.
Targeted Iterative Recon	PET image reconstruction with a user-specified field-of-view instead of the entire FOV.	This feature uses existing methods to reconstruct the entire FOV, then simply displays only the user-selected portion.
Incorporate Deep Blue Version of Volume Viewer	Image display and review tool.	Covered by 510(k) No. K041521.
Basic PET cardiac review.	Basic PET cardiac review. No analysis at this time.	Cardiac analysis will be added when Xeleris 2 or Full Card receive 510(k) clearance.
Incorporate Dynamic Review Phase 1 from AW	Dynamic Review allows the user to quantitatively review 4D datasets such as Dynamic and Gated studies using Time Activity curves and summing images over time.	510(k) is not required. See "PET Dynamic Review 1.0 510(k) Decision Tree", Rev. A, June 21, 2004, by Attila Bognar. (Leos program).
Incorporate Structured Report capability from GSP	Reporting Tool software renders DICOM Structured Reports in a human readable way for reviewing and printing report content. It provides different document formats and access to images referenced from the report. It gives possibility to define customizable templates that are used to implement flexible look-and-feel of the reports.	DICOM reporting tool.
List Mode Enhancements (for	Allows capture of the Highlander PET detector coincidence event stream to	Allows raw PET data to be captured in data files for manual reconstruction for research

4D workflow)	one or more list mode raw data files concurrently with a PET Static, Multi-Static, Dynamic or Gated Scan. The list mode files can be played back into the PET Acquisition feature as a substitute for a new detector stream to produce scan data derivations from the original acquisition.	purposes. Currently available as a research tool on Discovery ST. The only difference is improved user interface and ability to capture list mode files simultaneously with routine scanning.
Addition of TIP Virtual Assist & Information Wizard	Allows the console to be used for remote training.	Allows remote training.
Reli Monitoring –	classification of subsystem error messages & back-office update to recognize them	Allows tracking of errors for reliability analysis.
Ability to re-use landmark (4D Workflow)	After performing a PET scan, the user may move the table without PET losing the landmark. User will be able to perform another CT or PET acquisition later with the same landmark.	Workflow improvement.
Phased Binning of Gated Acquisition (4D)	The whole respiratory or heart cycle is acquired, and afterward divided based on percentages into the appropriate number of bins.	Bins are filled with acquisition data until next gating trigger is received, rather than stopping binning after a fixed time, so that no data is left unbinned. Not a new algorithm or operating principle, modification of current technique.

Below are the justifications for the key answers on the flowcharts attached in Appendix A.

Labeling Change Flowchart C

The indications for use are not changed and contraindications are not being added or deleted. No new warnings or precautions are being added. The labeling changes are the result of the modified and new features and provide for their safer and/or more efficient use.

Technology or Performance Change Flowchart D

There are no changes to the control mechanism, operating principle, or energy type.

The additional PET detector configurations described in the first table are either covered by 510(k)s or have been determined not to need a 510(k) as noted in the table.

Changes to performance specifications and features such as reconstruction, attenuation correction, display, etc., as described in the above table do not represent new operating principles or new algorithms, but are based on existing principles and algorithms. The change to a single host configuration does not represent a new control mechanism or operating principle, merely consolidation of CT and PET software and databases. The changes are evolutionary not revolutionary. They do not affect indications for use, clinical data is not necessary to evaluate safety and effectiveness for purposes of determining substantial equivalence, and results of design validation have not raised nor are they expected to raise new issues of safety and effectiveness.

Materials Change Flowchart E

The only material change is the change in detector scintillator material from BGO to LYSO as indicated for one of the configurations in the first table. This is covered by its own 510(k), No. K042257.

**B.II.E.2.--Mobile Major Medical Equipment
Vendor Letter on FMV, Route**



100 Bayview Circle, Suite 400
Newport Beach, California 92660
P 800.544.3215
www.alliancehealthcareservices-us.com

February 5, 2014

Melanie Hill, Executive Director
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: Mobile PET/CT Service for Southern Tennessee Medical Center

Dear Mrs. Hill:

Alliance Healthcare Services is proposing to provide the subject hospital with mobile PET/CT services one half-day per week, on Monday afternoons. The unit currently selected now serves Williamson Medical Center in Franklin on Mondays, Maury Regional Hospital in Columbia on Tuesdays, Baptist DeSoto Hospital in Southaven, MS on Wednesdays, Northcrest Medical Center in Springfield on Thursdays, Baptist Memorial Health Care in Union City on Fridays, and Harton Regional Medical Center in Tullahoma on the first Saturday of every month.

The mobile unit currently proposed for Winchester is a GE Discovery ST8 manufactured in 2006. Its current fair market value together with the truck and trailer is approximately \$625,000. The annual maintenance expense of the unit is \$204,000.

PETNET is expected to provide our FDG radiotracer material for the service in Winchester. The cost of that is covered by our contract fees with STMC.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Johns', with a long horizontal flourish extending to the right.

Richard W. Johns
EVP, General Counsel and Corporate Secretary

**B.II.E.3--Major Medical Equipment
Vendor Quotations / Draft Leases**

Mobile PET/CT Imaging Services Agreement

This Mobile PET/CT Imaging Services Agreement ("Services Agreement"), dated July 1, 2013, is between LifePoint Hospitals, Inc. ("Purchaser") and Alliance HealthCare Services, Inc. ("Vendor"), a Delaware corporation, located at 100 Bayview Circle, Suite 400, Newport Beach, CA 92660.

This Services Agreement is entered into in connection with that certain Purchasing Agreement, HPG-5904, dated July 1, 2013, between HealthTrust Purchasing Group, L.P. ("HealthTrust") and Vendor ("Purchasing Agreement"), of which this Services Agreement is a part and into which this Services Agreement shall be incorporated. This Services Agreement shall be subject to the terms and conditions of the Purchasing Agreement as if attached hereto, except as may otherwise be provided in this Services Agreement.

Term. Mobile PET/CT imaging services pursuant to this Services Agreement shall commence on July 1, 2013, (the "Effective Date"), and terminate on June 30, 2018. Pricing for services and/or FDG shall not increase during the Term of this Services Agreement.

Purchaser hereby commits that the facilities, listed on Table 1, attached hereto, (each, a "Facility" and collectively, the "Facilities") shall purchase mobile PET/CT services exclusively from Vendor, and neither Purchaser nor any Facility may utilize services from any mobile PET/CT unit supplied by any other vendor, except to the extent a Facility is contractually obligated to purchase mobile PET/CT imaging services from any other vendor, in which case such Facility may continue under such agreement until such agreement may be terminated without penalty or expires. Furthermore, Purchaser may order substitute services from another supplier, to the extent commercially practicable to remedy any performance failure by Vendor under this Services Agreement. Purchaser understands that its eligibility to participate under this Services Agreement is contingent upon signing this Services Agreement and that any services agreements for mobile PET/CT imaging services in place between Vendor and Purchaser or its Affiliates are superseded by this Services Agreement as of the Effective Date of this Services Agreement. Upon execution of this Services Agreement, Purchaser will receive the pricing and benefits as outlined in Table 2, attached hereto.

Termination Provisions:

- Either party may terminate this Services Agreement in the event of a material breach of this Services Agreement by the other party which is not cured within thirty (30) days following receipt by the breaching party of written notice thereof specifying the material breach.
- If a Facility is unable to cover the fee per scan costs and can demonstrate to Vendor a loss of profitability under this Services Agreement, Vendor agrees to adjust the mobile PET/CT imaging services pricing for that Facility. If Vendor fails to do so, Purchaser may terminate this Services Agreement upon a thirty (30) day prior written notice to Vendor without any further liability to Vendor.
- If there is a regulation or change in law that renders the services being provided under this Services Agreement unlawful, the parties agree to negotiate in good faith towards a resolution. If a mutually agreed upon solution is not reached, either party may terminate this Services Agreement.
- Notwithstanding anything to the contrary in the Purchasing Agreement, Purchaser shall have the right to terminate this Services Agreement without any further liability or obligations to Vendor, in whole or in part, or for any Facility listed in Table 1, no earlier than forty one (41) months after the Effective Date of this Services Agreement, by providing one hundred eighty (180) days' prior written notice to Vendor.

- Fixed Site: This Services Agreement is for mobile imaging services only. Nothing in this Services Agreement will limit or interfere with a participating Facility from utilizing its own in-house unit, or initiating a fixed site PET/CT services, provided the Facility provides one hundred eighty (180) days written notice to Vendor.

Notice Addresses:

If for Purchaser:

LifePoint Hospitals, Inc.
103 Powell Court
Brentwood, TN 37027
Attn: Chief Legal Officer

If to Vendor:

Alliance HealthCare Services, Inc.
100 Bayview Circle, Suite 400
Newport Beach, CA 92660
Attn: General Counsel

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IN WITNESS WHEREOF, the duly authorized officers of the parties hereto have executed this Services Agreement on the date set forth in the first paragraph of this Services Agreement.

LIFEPOINT HOSPITALS, INC.

By: RICK A. PHILLIPS
Name (Printed): Rick Phillips
Title: VP
Date: 6/17/13

J. Sy Hens
SVP Supply Chain
6-18-13

ALLIANCE HEALTHCARE SERVICES, INC.

By: [Signature]
Name: Richard D. Johns
Title: EVP General Counsel
Date: 6-13-13

[Signature]
6-18-13

Please Fax Signed Copy to Alliance HealthCare Services

Attn:

Fax:

Phone:

Table 1

LIST OF FACILITIES (TO BE INSERTED)

LifePoint Facility	HPG GPOID	COID	Date of conversion to Alliance (+/- 60 days) if Facility is using another vendor
Andalusia Regional Hospital	H000028	5356	January 31, 2014
Athens Regional Medical Center	H000046	5460	December 9, 2013
Rockdale Medical Center	H011388	16491	March 14, 2016
Marquette General Health System	H021953	16900	December 4, 2013
Bolivar Medical Center	H000269	2723	
Bourbon Community Hospital	H000033	5391	
Clinch Valley Medical Center	H000653	16150	
Danville Regional Medical Center	H003548	5285	
Havasu Regional Medical Center	H012140	2758	
Lake Cumberland Regional Hospital	H000037	5412	
Logan Regional Medical Center	H003577	5225	
Maria Parham Medical Center	H019538	16810	
Meadowview Regional Medical Center	H000035	5403	
Memorial Hospital of Martinsville	H000852	2781	
Person Memorial Hospital	H019366	16830	
Twin County Regional Hospital	H020689	16881	

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Table 2

For purposes of this Services Agreement, a "procedure" means a single billable area of interest procedure and is any one (1) distinct anatomical area of interest or distinct CPT code. The agreed upon fees for each type of diagnostic imaging system (each, a "Unit") are set forth below:

FEE PER PROCEDURE: MOBILE PET/CT

Procedures shall be performed on a per procedure basis, based upon the prices listed below.

✓ All Facilities except for Marquette Facility:

✓ Years 1-3:

PROCEDURES PER UNIT PER DAY PER FACILITY:	✓ STAFFED FEE PER PROCEDURE
Procedures 1 through 6 (includes FDG)	\$785*
Procedures 7 and thereafter (includes FDG)	\$600*
*above cost reflects staffing provided by Vendor. FDG cost component= \$120	

✓ All Facilities except for Marquette Facility:

✓ Years 4 and 5:

PROCEDURES PER UNIT PER DAY PER FACILITY	✓ STAFFED FEE PER PROCEDURE
Procedures 1 through 6 (includes FDG)	\$750*
Procedures 7 and thereafter (includes FDG)	\$600*
*above cost includes staffing provided by Vendor. FDG cost component= \$120	

All Facilities except for Marquette Facility:

Years 1-3:

PROCEDURES PER UNIT PER DAY PER FACILITY:	UNSTAFFED FEE PER PROCEDURE
Procedures 1 through 6 (includes FDG)	\$745*
Procedures 7 and thereafter (includes FDG)	\$600*
*above cost reflects staffing provided by Purchaser . FDG cost component= \$120	

All Facilities except for Marquette Facility:

Years 4 and 5:

PROCEDURES PER UNIT

PER DAY PER FACILITY

UNSTAFFED FEE PER PROCEDURE

Procedures 1 through 6 (includes FDG)

\$715*

Procedures 7 and thereafter (includes FDG)

\$600*

*above cost includes staffing provided by Purchaser. FDG cost component= \$120

For any Facilities listed on Table 1 currently utilizing Vendor for mobile PET/CT imaging services, the selected pricing above shall be effective within thirty (30) days of the Effective Date of this Services Agreement and the terms of this Services Agreement, at such time, shall be enforced and supersede any existing agreement for any such Facilities.

Marquette Facility Pricing only:

Years 1-3:

PROCEDURES PER UNIT

PER DAY PER FACILITY:

UNSTAFFED FEE PER PROCEDURE

Procedures 1 through 6 (includes FDG)

\$695*

Procedures 7 and thereafter (includes FDG)

\$600*

*above cost reflects staffing provided by Marquette Facility. FDG cost component= \$120.

Vendor shall charge Marquette Facility for the actual delivery costs (as a pass-through) for FDG, which is currently \$1700 per delivery. Any increases or decreases in Vendor's cost to deliver FDG shall be mutually agreed upon by both parties, such agreement not to be unreasonable withheld. Vendor shall also provide Marquette Facility a minimum of three (3) days of mobile PET/CT imaging services per week unless otherwise agreed upon between both parties. Imaging services shall be performed by a mobile GE Discovery ST 8-slice PET/CT system with a Dimension Console, or an equivalent mobile PET/CT system upon mutual agreement of both parties, which shall not be unreasonably withheld.

Marquette Facility Pricing only:

Years 4 and 5:

PROCEDURES PER UNIT

PER DAY PER FACILITY

UNSTAFFED FEE PER PROCEDURE

Procedures 1 through 6 (includes FDG)

\$665*

Procedures 7 and thereafter (includes FDG)

\$600*

*above cost includes staffing provided by Marquette Facility. FDG cost component= \$120

Vendor shall charge Marquette Facility for the actual delivery costs (as a pass-through) for FDG, which is currently \$1700 per delivery. Any increases or decreases in Vendor's cost to deliver FDG shall be mutually agreed upon by both parties, such agreement not to be unreasonable withheld. Vendor shall also provide Marquette Facility a minimum of three (3) days of mobile PET/CT imaging services per week unless otherwise agreed upon between both parties. Imaging services shall be performed by a mobile GE Discovery ST 8-slice PET/CT system with a Dimension Console, or an equivalent upon mutual agreement of both parties, which shall not be unreasonably withheld.

Additional Services:

The value of any additional product or service provided by Vendor to Purchaser may be considered to be an additional discount, rebate or other reduction in price to the Services and/or Products obtained under this Services Agreement. Purchaser may have an obligation to disclose and/or appropriately reflect any such discounts, rebates or price reductions in any costs claimed or charges made to Medicare, Medicaid, or health insurers requiring disclosure. Vendor agrees to provide estimates of the value of such additional products or services to Purchaser upon request.

- **Payment Terms:** Net due from each Facility thirty (30) days from the latter of the Facility's receipt of invoice or full performance of the invoiced Service to the Facility. A Facility will receive an additional two percent (2%) off the pricing set forth in Table 2 for a particular invoice if full payment under such invoice is made by the Facility to Vendor within ten (10) days following the latter of the full performance of the invoiced Service to the Facility or the Facility's receipt of such invoice. Purchaser agrees to reasonably assist Vendor in collecting payment from any Facility that is delinquent in payment of any invoice to Vendor.
- **PET/CT Procedure Schedule and Radiopharmaceuticals.** Facilities shall, no later than 11:00 a.m. each business day, provide to the designated Vendor representative a written schedule of its radiopharmaceutical requirements for the next business day, showing times and quantities. Facilities may cancel without financial obligation any prescheduled doses by providing written notice via telecopy by 6:00 a.m. of the day of use by providing notice to Vendor's supplier of radiopharmaceuticals. In the event that a scheduled procedure cannot be completed due to the actions of Vendor, the costs for the prescheduled radiopharmaceutical shall be borne by Vendor. In the event that the scheduled procedure cannot be completed due to the actions of the Facility's employees or agents, the cost of the prescheduled radiopharmaceutical shall be borne by the Facility. In the event that the scheduled procedure cannot be completed due to the "no show" or patient cancellation at the time of the procedure, Vendor shall not charge the Facility for the cost of the radiopharmaceutical.
- **No Minimum Service Volume:** Vendor does not require that any Facility maintain minimum services, in patient volume or in dollars; provided, however, this does not affect the exclusivity commitment set forth above.
- **Scheduling Services:** Vendor shall provide, upon request and subject to an additional fee, scheduling and authorization/screening services to Purchaser or Facility. Any applicable fees for these services are to be mutually agreed upon between Vendor and Facility.
- **Marketing:** Both parties will collaborate using the Alliance Imaging Media Mall to develop education fliers and patient brochures to promote the mobile PET/CT imaging services under this Services Agreement. Vendor will also provide a marketing resource to Purchaser on a non-exclusive basis. Vendor will make its Customer Portal available to Purchaser. This portal supports the creation of marketing collateral related to the PET/CT programs. These marketing services described above and itemized below are provided to Purchaser at no additional cost to Purchaser:
 - **Virtual Support**
 - ☐ Via access to the Vendor customer portal, Vendor shall offer Facilities access to marketing, support, and physician educational materials with respect to the provision by Vendor of mobile PET/CT imaging services as provided under this Services Agreement. Vendor will coordinate the development of marketing collateral with the Facility team. Subject to the below exception and pre-approval by Vendor, this is at Vendor's expense. No material shall be presented in the market without the Facility's logo and approval. Notwithstanding anything to the contrary in this Services Agreement, Vendor shall not be responsible for the cost of items such as billboards, radio/TV advertisements or any type of media coverage.

- Remote Support

☐ Via access to the Vendor customer portal, Vendor shall offer Facilities access to marketing, support, and physician educational materials with respect to the provision by Vendor of mobile PET/CT imaging services provided under this Services Agreement. Facilities will also have access to virtual marketing support through the optional use of services provided by a Vendor Regional Account Executive. These optional services include assistance with marketing plan development and assistance with modality or disease-state education campaigns. Any marketing by Vendor shall be provided in an efficient manner as deemed appropriate by the parties and in compliance with all applicable laws and regulations. Vendor's Account Executive will make office visits with the Facility's Director of Radiology upon reasonable request. In fact, office visits with Facility personnel or radiologists will be encouraged. Vendor would welcome the collaboration. Vendor, however, will be proactively calling on physician offices in an effort to maximize the potential of a mobile PET/CT imaging service at Facility regardless of who makes the request.

- Physical Support

☐ Via access to the Vendor customer portal, Vendor offers Facilities access to marketing, support, and physician educational materials with respect to the provision by Vendor of mobile PET/CT imaging services provided under this Services Agreement. Vendor shall directly market such services to physicians in the service area and shall conduct other marketing efforts as reasonably determined by the parties, including but not limited to patient educational materials. All such marketing shall be provided in an efficient manner as deemed appropriate by the parties and in compliance with all applicable laws and regulations.

- The frequency of marketing provided directly to the physicians will be established by the parties prior to commencement of mobile PET/CT imaging services under this Services Agreement, but shall not be less than once every two (2) months. The Vendor Account Executive shall report its market findings to the Facility in conjunction with the Facility's Account Activity Report.

- The activities the Vendor marketing team leads, include, but is not limited to the following:

- o Physician office visits
- o Distribution of agreed upon materials to physician offices
- o Meetings with staff members within a physician office (i.e. managers and schedulers)
- o Participation in tumor board meetings if applicable

- Staffing: Prior to starting service under this Services Agreement, Facility will indicate in writing to Vendor whether or not Facility wants Vendor to staff the mobile PET/CT unit. Facility may change its staffing election (i.e., staffed to unstaffed or vice-versa) by providing thirty (30) days' notice to Vendor. If Facility elects for Vendor to staff the mobile PET/CT unit, Vendor will provide to Facility certified technologists and patient coordinators as volume and services require.

- Patient Satisfaction Surveys: Vendor agrees to provide a patient satisfaction program for PET/CT, operated in conjunction with AVATAR. Should patient satisfaction fall below 93% for any given quarter, Vendor will jointly develop and implement a quality improvement program with Facility, and shall provide a \$10,000 credit during the next quarter for the affected Facility. Should patient satisfaction survey results remain below 93% for two consecutive quarters, Purchaser shall have the right to terminate this Services Agreement for the affected Facility.

- Logistics: Vendor shall manage all services related to the mobile PET/CT services – drivers, fuel, insurance, travel expenses, and any other ancillary services. Upon completing the last scan of the day at a Facility, Vendor shall physically remove the scanner from Facility's premises unless it is required for use for consecutive days or upon mutual agreement between Facility and Vendor.

- Days of Service: To be mutually agreed upon between each Facility and Vendor prior to mobile PET/CT services being provided to the Facility, and subject to changes based upon the Facility's requirements, upon mutual agreement.

- Maintenance: Vendor is responsible for all maintenance on equipment used to provide mobile PET/CT imaging services to Facility, and guarantees a minimum uptime of 98% based upon a five day

week, 8am-5pm local time. Should Vendor fall below 95% uptime for any given month, a \$5000 credit shall be applied to the following month. Should the uptime for any mobile PET/CT imaging services fall below 95% for two consecutive quarters, Purchaser has the right to request that Vendor replace equipment with comparable equipment reasonably acceptable to Facility, or may seek additional remedies which may include termination of the affected Facility Services Agreement.

- **No Minimum Service Volume:** Vendor does not require that any Facility maintain a specific amount of minimum services, in patient volume or in dollars; provided, however, this does not affect the exclusivity commitment set forth above.

- **Site Preparation:** Facility is responsible for any site preparation in order that Vendor may provide the mobile PET/CT imaging services. Vendor agrees to reasonably assist Facility upon request.

- **Purchaser Business Review:** At an agreed upon interval, Vendor will conduct a Customer Business Review with both Facility's local leadership and Purchaser's local and/or national leadership. These reviews are designed to review all aspects of the mobile PET/CT imaging service provided, including patient satisfaction, volumes, uptime, and individual physician referral trends.

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Exhibit F
Participant List

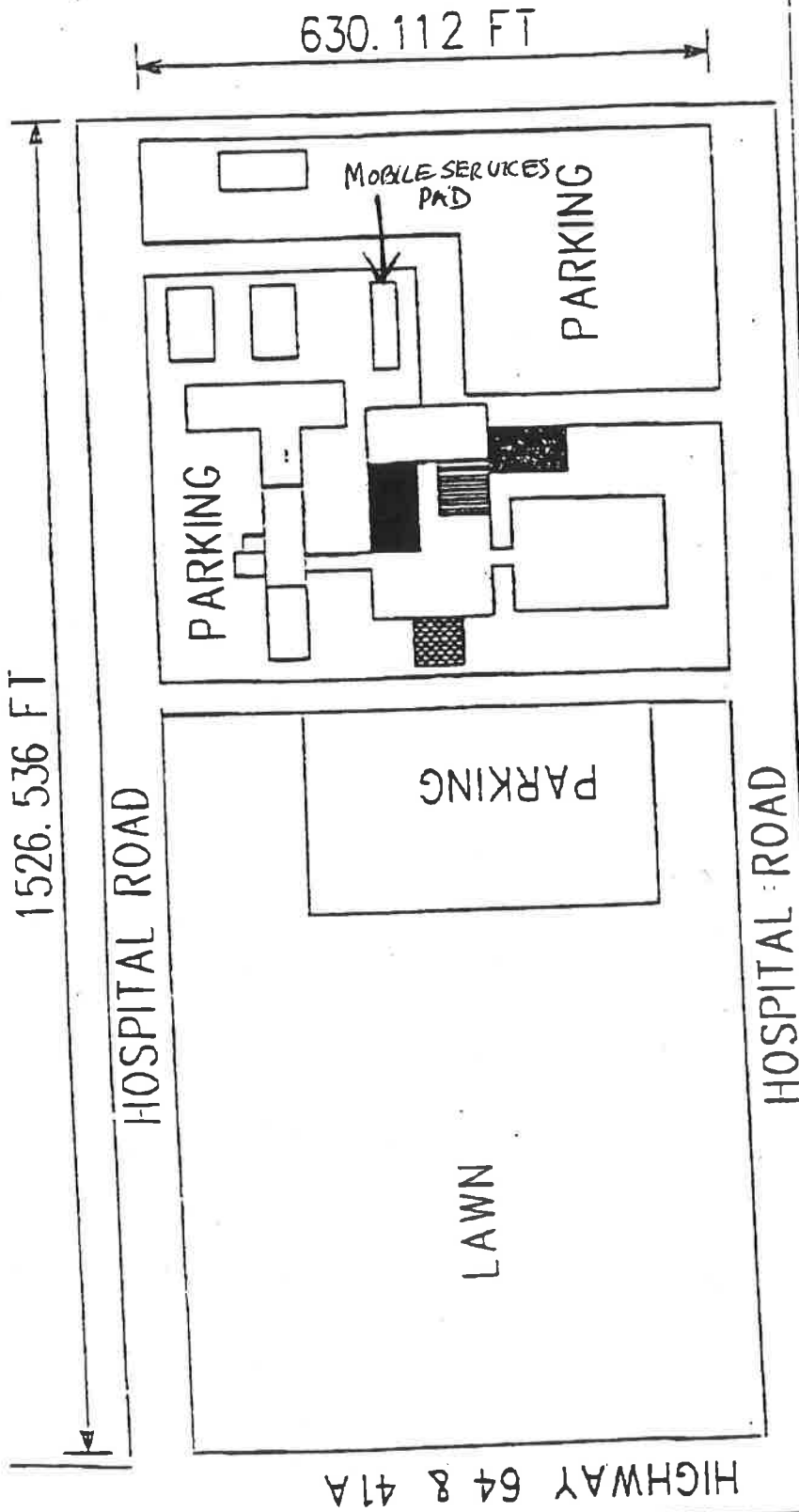
LIFEPOINT FACILITIES

LifePoint Facility	HPG GPOID	COID	Date of conversion to Alliance (+/- 60 days) if Facility is using another vendor
Andalusia Regional Hospital	H000028	5356	January 31, 2014
Athens Regional Medical Center	H000046	5460	December 9, 2013
Rockdale Medical Center	H011388	16491	March 14, 2016
Marquette General Health System	H021953	16900	December 4, 2013
Bolivar Medical Center	H000269	2723	
Bourbon Community Hospital	H000033	5391	
Clinch Valley Medical Center	H000653	16150	
Danville Regional Medical Center	H003548	5285	
Havasut Regional Medical Center	H012140	2758	
Lake Cumberland Regional Hospital	H000037	5412	
Logan Regional Medical Center	H003577	5225	
Maria Parham Medical Center	H019538	16810	
Meadowview Regional Medical Center	H000035	5403	
Memorial Hospital of Martinsville	H000852	2781	
Person Memorial Hospital	H019366	16830	
Twin County Regional Hospital	H020689	16881	

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B.III.--Plot Plan

Section B. PROJECT DESCRIPTION E. II.



NEW MED/SUR WING



NEW SURGERY



EXISTING SURGERY



EXISTING RADIOLOGY



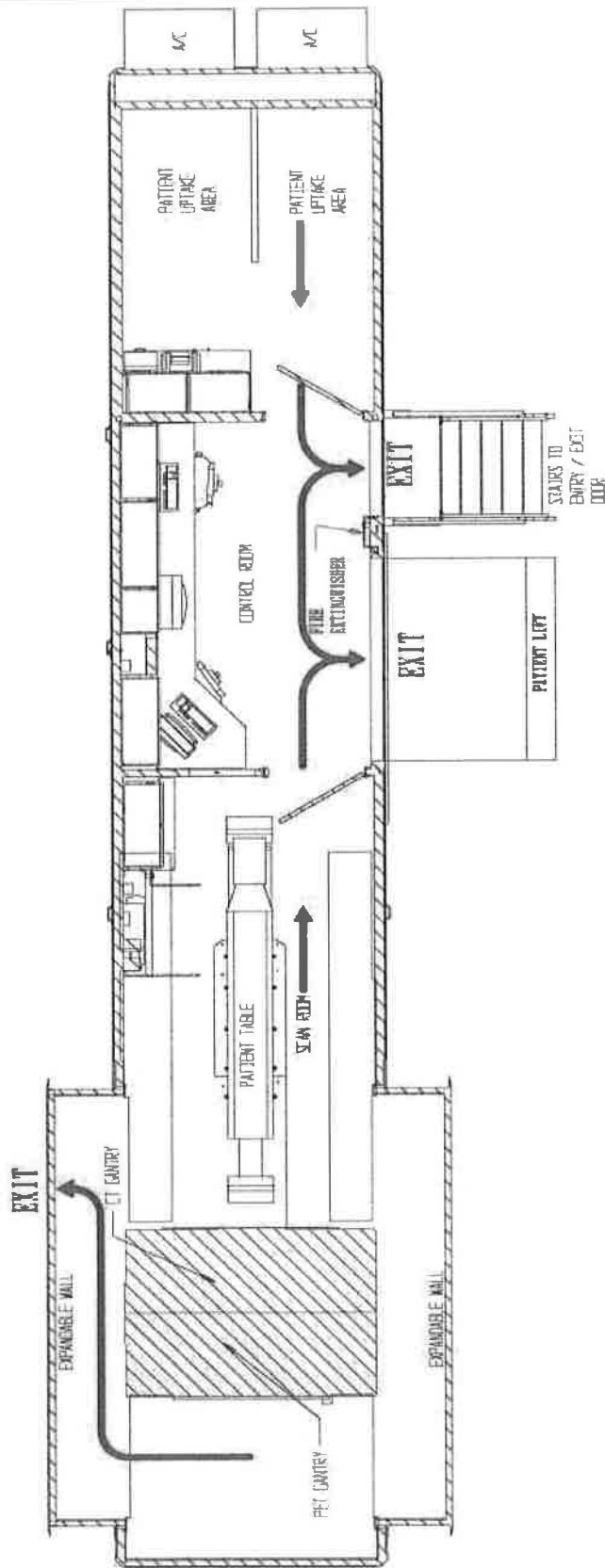
SOUTHERN TENNESSEE MEDICAL CENTER

185 HOSPITAL ROAD
WINCHESTER, TENNESSEE

SIZE = +/- 22 ACRES

B.IV.--Floor Plan

EVACUATION PLAN



MEDICAL COACHES INC.
MOBILE PET/CT TRAILER

C, Need--1.A.3.e.
Letters of Intent & Qualifications

John W. Allred III, M.D.

WORK

185 Hospital Road
Winchester, TN 37398
931-967-8374 (Office)
931-967-8278 (Fax)
john.allred@arastn.com

HOME

356 Cedar Bluff Dr
Winchester, TN 37398
615-542-0776 (Cell)
allredjohn@hotmail.com

EMPLOYMENT:

General radiologist: 09/10-Present

Medical Director of Radiology

Southern Tennessee Medical Center (STMC); Winchester, TN

- High volume practice
- Interpret x-ray, CT, MR, ultrasound, nuclear medicine and mammography

Consultant Medical Staff (Neuroradiology): 11/06-Present

St. Jude Children's Research Hospital; Memphis, TN

- Provide occasional coverage for the neuroradiology department
- Interpret neuroimaging studies on pediatric oncology patients

ER/Nighthawk radiologist: 07/06-10/10

Vanderbilt University Medical Center (VUMC); Nashville, TN

- Provide nighttime radiology coverage for level 1 trauma center
- High volume practice, covering both an adult and children's hospital
- Interpret x-ray, CT, MR and ultrasound
- Responsible for supervision and education of radiology residents

EDUCATION:

Fellowship: Neuroradiology, 7/05-6/06

Vanderbilt University; Nashville, TN

Residency: Diagnostic Radiology, 7/01-6/05

University of Minnesota; Minneapolis, MN

Internship: Transitional Program, 7/00-6/01

Hennepin County Medical Center; Minneapolis, MN

Medical School: University of Alabama School of Medicine, 7/96-6/00

Birmingham, AL

Undergraduate: University of Alabama at Birmingham (UAB), 9/92-6/96

Birmingham, AL

Bachelor of Science; Major-Biology, Minor-Chemistry

HONORS/AWARDS:

Senior Residents' Special Recognition Award: Most Influential Attending (2010)
VUMC Radiology faculty teacher of the year (2010)
VUMC Radiology faculty teacher of the year (2009)
VUMC Radiology faculty teacher of the year (2008)
VUMC Radiology fellow teacher of the year (2006)
UM Outstanding senior radiology resident (2005)
UM Radiology chief resident (2003-2004)
UM Outstanding resident on the interventional radiology rotation (2003)
Graduated Cum Laude from UAB (1996)
Golden Key National Honor Society (1995-1996)
Phi Sigma Honor Society (1994-1996)
UAB Honor Scholarship (1992-1996)
Central Bank Honor Scholarship (1992-1993)
National Merit Scholarship Semifinalist (1992)

CERTIFICATIONS:

Basic Life Support and Advanced Airway (2011)
Certificate of additional qualification (CAQ): Neuroradiology (2007)
Tennessee State Medical License (2005-present)
Diagnostic Radiology Oral Board Examination (2005)
Diagnostic Radiology Written Examination (2004)
Diagnostic Radiology Physics Examination (2003)

PROFFESIONAL AFFILIATIONS:

Member, American Society of Neuroradiology (2006-Present)
Member, American College of Radiology (2001-Present)
Member, Radiology Society of North America (2001-Present)

PRESENTATIONS:

"Epithelioid Hemangioendothelioma of the Orbit: A Case Report". Excerpta
Extraordinaire, ASNR 44th Annual Meeting. May 2006.

"Dural Venous Sinus Thrombosis Associated with Closed Head Injury". Excerpta
Extraordinaire, ASNR 44th Annual Meeting. May 2006.

"MR Imaging of Hypocupremia-Associated Myelopathy". Excerpta
Extraordinaire, ASNR 44th Annual Meeting. May 2006.

"Neonatal Head Ultrasound." Grand Rounds presentation at Fairview University
Medical Center, Minneapolis, MN. May 2004.

"An Unusual Case of Right Lower Quadrant Pain." Grand Rounds presentation at
Fairview University Medical Center, Minneapolis, MN. February 2003.

PUBLICATIONS/EXHIBITS:

Wear VV, **Allred JW**, Mi D, Strother MK. Evaluating “eee” phonation in multi-detector CT of the neck. *Am J Neuroradiol*. 2009 Jun; 30(6):1102-6.

Wear VV, Strother MK, **Allred JW**, Mi D. “To Breathe or Not to Breathe: Optimizing Air Flow and Air Contrast in MDCT of the neck”. Educational exhibit presented at RSNA 2007.

Allred JW, Aulino JM. Hypocupremia-Associated Myelopathy. *J Comput Assist Tomogr*. 2007 Jan-Feb; 31(1): 157-9.

ACTIVITIES/VOLUNTEER WORK:

Intramural Basketball	1996-1997, 2002-2003
Intramural Football	1996-1997
YMCA youth basketball league volunteer coach	1996
UAB Medical Center Emergency Department volunteer	1995

INTERESTS:

Traveling
Hiking
Golf

Board Certified Docs

An Official ABMS® Display Agent



Allred III, John Winfield

Born: 02/28/1974

Viewed: 10/09/2012 16:03:54 EDT

ABMS Primary Source Data

AMERICAN BOARD OF RADIOLOGY

CERTIFICATION(S):

Diagnostic Radiology 06/08/2005 - 12/31/2015

SUBCERTIFICATION(S):

Neuroradiology 11/05/2007 - 12/31/2017

Meeting Maintenance of Certification (MO) Requirements

[Click for more info](#)

American Board of Radiology

Diagnostic Radiology	Status not yet reported
Neuroradiology	Status not yet reported

Additional Professional Data

NPI number: 1497842520

Education:

(2000, MD)

Hospital Affiliation Letters

Contact Information

Address Unavailable

Location: TN, United States

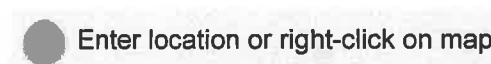
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C, Need--3
Service Area Maps

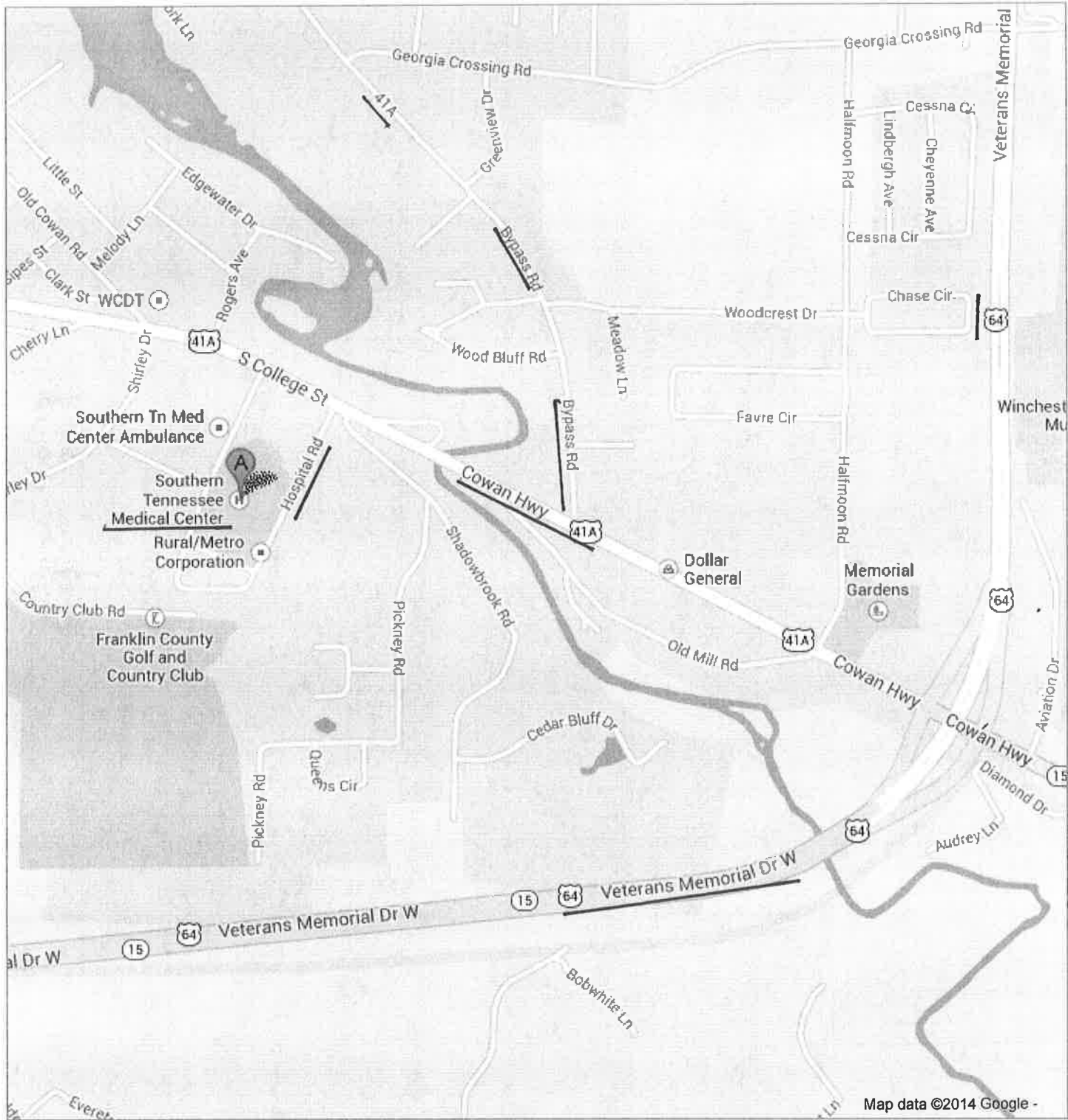
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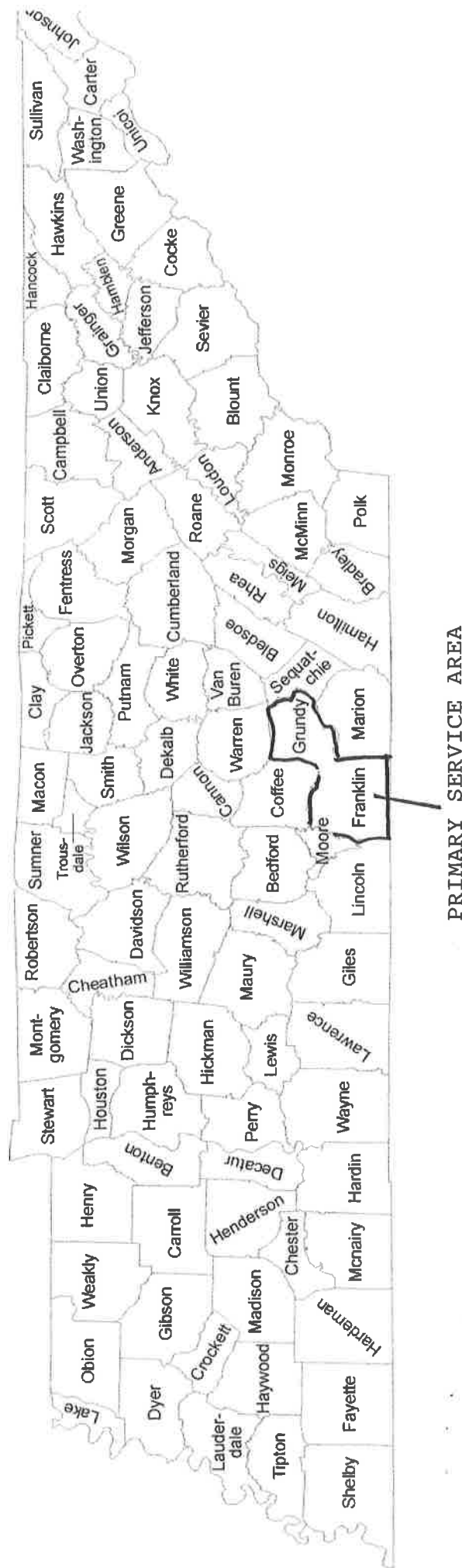


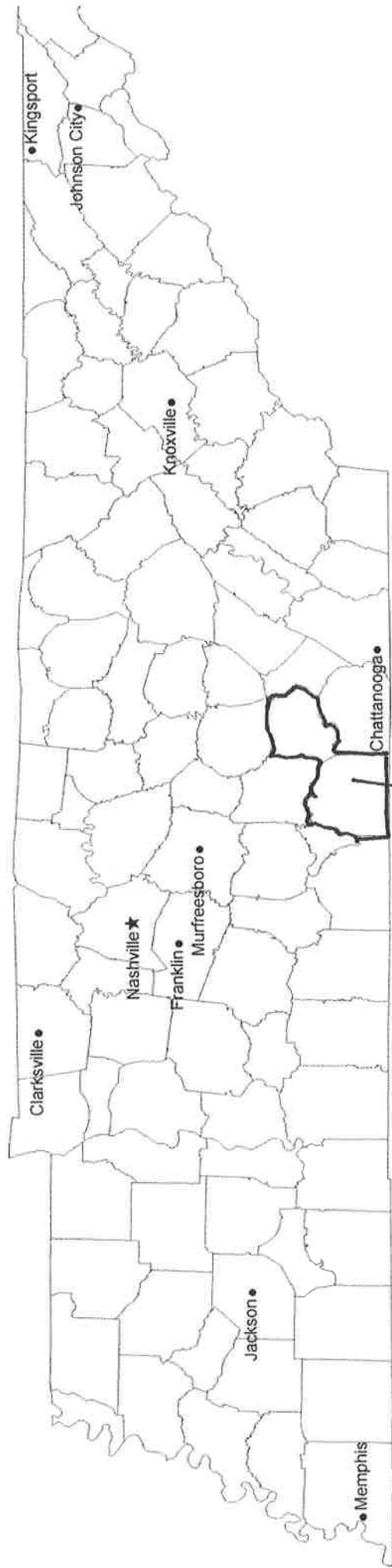


To see all the details that are visible on the screen, use the "Print" link next to the map.



Enter location or right-click on map





PRIMARY SERVICE AREA

C, Economic Feasibility--2
Documentation of Availability of Funding

February 11, 2014

Melanie M. Hill, Executive Director
Tennessee Health Facilities Commission
Andrew Jackson State Office Building, Ninth Floor
500 Deaderick Street
Nashville, Tennessee 37243

Dear Mrs. Hill:

Southern Tennessee Medical Center is applying for a Certificate of Need to resume providing mobile PET/CT diagnostic testing. This will require an actual capital expenditure of no more than approximately \$33,000.

As Chief Financial Officer, I am writing to confirm that our hospital will fund the project in cash. The application includes our financial statements documenting that sufficient cash reserves, operating income, and lines of credit exist to accomplish that.

Sincerely,



John Copeland
Chief Financial Officer

www.southerntennessee.com

Southern Tennessee Medical Center • 185 Hospital Road • Winchester, TN 37398 • 931-967-8200
Emerald Hodgson Hospital • 1260 University Ave. • Sewanee, TN 37375 • 931-598-5691

C, Economic Feasibility--10
Financial Statements

FINANCIAL STATEMENT REPORTS
SOUTHERN TENNESSEE MEDICAL CEN
FINANCIAL STATEMENT
AS OF 12/31/13

EFF DATE: 12/31/13
U05332
CO 50 B00 R00 D000 U05332 C0ID 05332
01/10/14

FINS:FINST
U05332
CO 50 B00 R00 D000 U05332 C0ID 05332
01/10/14

BEGIN	CURRENT MONTH CHANGE	ENDING	CURRENT ASSETS- CASH & CASH EQUIVALENTS MARKETABLE SECURITIES	PATIENT ACCOUNTS RECEIVABLES PATIENT RECEIVABLES LESS ALLOW FOR GOVT RECEIVABL LESS ALLOW - BAD DEBT NET PATIENT RECEIVABLES	FINAL SETTLEMENTS DUE TO/FROM GOVT PROGRAMS ALLOW DUE GOVT PROGRAMS NET FINAL SETTLEMENTS	NET ACCOUNTS RECEIVABLES	INVENTORIES PREPAID EXPENSES OTHER RECEIVABLES	TOTAL CURRENT ASSETS	PROPERTY, PLANT & EQUIPMENT LAND BLDG AND IMPROVEMENTS EQUIPMENT - OWNED EQUIPMENT - CAPITAL LEASES CONSTRUCTION IN PROGRESS GROSS PP&E LESS ACCUMULATED DEPRECIATION NET PP&E	OTHER ASSETS INVESTMENTS NOTES RECEIVABLE INTANGIBLE ASSETS - NET INVESTMENT IN SUBSIDIARIES OTHER ASSETS TOTAL OTHER ASSETS	GRAND TOTAL ASSETS	ENDING	YEAR TO DATE CHANGE	BEGIN
231,857	167,336-	64,521										64,521	129,820-	194,341
21,162,594	864,553	22,027,147										22,027,147	873,324-	22,900,471
11,058,221-	650,847-	11,709,068-										11,709,068-	1,983,568	13,692,636-
10,104,373	213,706	10,318,079										10,318,079	1,110,244	9,207,835
340,477-	408,665-	749,142-										749,142-	452,045-	297,097-
31,031-		31,031-										31,031-	7,017-	24,014-
371,508-	408,665-	780,173-										780,173-	459,062-	321,111-
9,732,865	194,959-	9,537,906										9,537,906	651,182	8,886,724
1,887,287	1,277	1,888,564										1,888,564	136,938-	2,025,502
418,926	492,114	911,040										911,040	94,218	816,822
20-	1,332-	1,352-										1,352-	289,251-	287,899
12,270,915	129,764	12,400,679										12,400,679	189,391	12,211,288
685,721		685,721										685,721	50,000	635,721
31,380,775		31,380,775										31,380,775	120,048	31,260,727
34,745,789	351,770	35,097,559										35,097,559	580,377	34,517,182
852,628	215,406-	637,222										637,222	548,790	88,432
67,664,913	136,364	67,801,277										67,801,277	1,299,215	66,502,062
42,222,673-	227,830-	42,450,503-										42,450,503-	2,635,460-	39,815,043-
25,442,240	91,466-	25,350,774										25,350,774	1,336,245-	26,687,019
248,535		248,535										248,535		248,535
402,288	21,092-	381,196										381,196	368,401-	749,597
19,041	1,600-	17,441										17,441	368,401-	17,441
669,864	22,692-	647,172										647,172		1,015,573
38,383,019	15,606	38,398,625										38,398,625	1,515,255-	39,913,880

EFF DATE: 12/31/13 FINS:FINSTM FINANCIAL STATEMENT REPORTS SOUTHERN TENNESSEE MEDICAL CEN
 U05332 CO SO B00 R00 D000 U05332 C0ID 05332 FINANCIAL STATEMENT AS OF 12/31/13
 01/10/14

BEGIN	CURRENT MONTH CHANGE	ENDING	ENDING	YEAR TO DATE CHANGE	BEGIN
1,734,604	501,369	2,235,973	2,235,973	220,158-	2,456,131
1,838,605	136,343	1,974,948	1,974,948	58,300	1,916,648
554,325	41,171	595,496	595,496	72,260-	667,756
507,004	93,175	600,179	600,179	323,685	276,494
4,634,538	772,058	5,406,596	5,406,596	89,567	5,317,029
79,464,244-	3,358,805-	82,823,049-	82,823,049-	12,284,046-	70,539,003-
79,464,244-	3,358,805-	82,823,049-	82,823,049-	12,284,046-	70,539,003-
253,681	239,599-	14,082	14,082	522-	14,604
253,681	239,599-	14,082	14,082	522-	14,604
23,202,834		23,202,834	23,202,834	8,534,821-	8,534,821
81,918,417		81,918,417	81,918,417	8,534,822	23,202,834
7,837,793	2,841,952	10,679,745	10,679,745	10,679,745	73,383,595
112,959,044	2,841,952	115,800,996	115,800,996	10,679,746	105,121,250
38,383,019	15,606	38,398,625	38,398,625	1,515,255-	39,913,880

FEB14'14AM1001

SUMMARY P & L STATEMENT

FINANCIAL STATEMENT REPORTS
SOUTHERN TENNESSEE MEDICAL CEN
MONTHLY OPERATING STATEMENTS
FOR PERIODS ENDING 12/31/13

EFF DATE: 12/31/13 FINS:FINSTM
U05332
C0 S0 B00 R00 D000 U05332 C0ID 05332
01/10/14

LAST YEAR	CURRENT MONTH BUDGET	THIS YEAR	REVENUES	THIS YEAR	YEAR TO DATE BUDGET	LAST YEAR
1,600,824	1,869,763	1,666,056	ROUTINE	20,378,815	22,196,605	19,957,676
10,236,646	11,802,110	9,011,975	INPATIENT ANCILLARY	123,019,306	140,339,687	124,535,955
11,837,470	13,671,873	10,678,031	TOTAL INPATIENT REVENUE	135,398,121	162,538,292	144,493,631
11,583,503	13,029,886	14,391,502	OUTPATIENT ANCILLARY	165,463,508	161,089,641	144,586,538
23,420,973	26,701,759	25,069,533	TOTAL PATIENT REVENUE	308,861,629	323,625,933	289,080,169
31,460	32,718	31,606	OTHER OPERATING INCOME	420,988	392,616	384,804
23,452,433	26,734,477	25,101,139	TOTAL REVENUES	309,282,617	324,018,549	289,464,973
7,756,079	10,036,830	8,276,004	REVENUE DEDUCTIONS	103,668,756	121,017,405	102,954,062
234,870-	234,289-	7,202-	MEDICARE CY CONTRACTUALS	2,066,023-	2,802,909-	2,217,395-
217,359	246,638	1,803	MEDICAID CY CONTRACTUALS	3,353,108	3,166,372	2,779,561
124,895-			CHAMPUS CY CONTRACTUALS	25,204-		350,709
7,340,497	8,128,332	8,317,539	HMO/PPO DISCOUNTS	104,192,438	98,997,178	88,158,910
25,003	31,368	25,277	CHARITY	298,857	378,075	251,445
1,521,474	1,530,427	1,437,713	OTHER DEDUCTIONS	17,715,834	18,460,484	16,196,350
746,693	901,688	890,278	BAD DEBTS	11,193,174	10,923,281	9,949,062
17,247,340	20,640,994	18,941,412	TOTAL REVENUE DEDUCTIONS	238,330,940	250,139,886	218,422,704
6,205,093	6,093,483	6,159,727	TOTAL NET REVENUE	70,951,677	73,878,663	71,042,269
1,914,817	2,023,847	1,949,383	OPERATING COSTS	23,688,572	23,911,140	23,506,459
60,397	10,588	45,463	SALARIES AND WAGES	175,876	141,074	194,065
347,311	476,364	397,641	CONTRACT LABOR	5,135,165	5,594,143	5,887,909
861,678	959,319	777,762	EMPLOYEE BENEFITS	11,014,165	11,307,872	10,848,026
89,926	106,089	103,408	SUPPLIES	1,252,610	1,295,068	1,356,273
416,888	432,010	495,261	PROFESSIONAL FEES	4,855,740	5,227,554	4,705,725
132,263	138,495	120,783	CONTRACT SERVICES	1,634,219	1,734,567	1,738,419
2,957	1,255	7,554	REPAIRS AND MAINTENANCE	24,347	21,521	17,282
174,671	137,960	138,422	RENTS AND LEASES	1,637,368	1,651,164	1,672,408
15,202	151,291	85,371	UTILITIES	1,398,798	1,813,160	1,362,306
			INSURANCE			
			INVESTMENT INCOME			
287,192	284,294	288,633	TAXES-NON INCOME	3,461,531	3,411,528	3,445,493
108,922-	1,564,641-	1,591,104-	OTHER OPERATING EXPENSES	233,427-	193,991-	1,280,140
4,194,380	3,156,871	2,818,577	TOTAL OPERATING EXPENSES	54,044,964	55,914,800	56,014,505
2,010,713	2,936,612	3,341,150	EBDIT	16,906,713	17,963,863	15,027,764
261,848	216,454	227,834	CAPITAL AND OTHER COSTS	2,965,144	2,781,679	3,132,595
			DEPRECIATION			
			AMORTIZATION			
30,771	24,166	31,058	OTHER NON-OPERATING EXPENSE	378,152	289,992	643,391
226,404	240,306	240,306	INTEREST EXPENSE	2,883,672	2,883,672	2,716,848
			MANAGEMENT FEES			
519,023	480,926	499,198	MINORITY INTEREST	6,226,968	5,955,343	6,492,834
1,491,690	2,455,686	2,841,952	TOTAL CAPITAL AND OTHER	10,679,745	12,008,520	8,534,930
			PRETAX INCOME			
			TAXES ON INCOME			
			FEDERAL INCOME TAXES			
			STATE INCOME TAXES			
			TOTAL TAXES ON INCOME			
1,491,690	2,455,686	2,841,952	NET INCOME	10,679,745	12,008,520	8,534,930

Miscellaneous Information

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People

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State & County QuickFacts

Franklin County, Tennessee

People QuickFacts	Franklin County	Tennessee
Population, 2013 estimate	NA	6,495,978
Population, 2012 estimate	40,772	6,454,914
Population, 2010 (April 1) estimates base	41,052	6,346,113
Population, percent change, April 1, 2010 to July 1, 2013	NA	2.4%
Population, percent change, April 1, 2010 to July 1, 2012	-0.7%	1.7%
Population, 2010	41,052	6,346,105
Persons under 5 years, percent, 2012	4.9%	6.3%
Persons under 18 years, percent, 2012	21.1%	23.1%
Persons 65 years and over, percent, 2012	18.3%	14.2%
Female persons, percent, 2012	51.3%	51.2%
White alone, percent, 2012 (a)	91.9%	79.3%
Black or African American alone, percent, 2012 (a)	5.2%	17.0%
American Indian and Alaska Native alone, percent, 2012 (a)	0.4%	0.4%
Asian alone, percent, 2012 (a)	0.9%	1.6%
Native Hawaiian and Other Pacific Islander alone, percent, 2012 (a)	0.1%	0.1%
Two or More Races, percent, 2012	1.6%	1.6%
Hispanic or Latino, percent, 2012 (b)	2.6%	4.8%
White alone, not Hispanic or Latino, percent, 2012	89.6%	75.1%
Living in same house 1 year & over, percent, 2008-2012	86.7%	84.4%
Foreign born persons, percent, 2008-2012	1.7%	4.5%
Language other than English spoken at home, pct age 5+, 2008-2012	3.0%	6.6%
High school graduate or higher, percent of persons age 25+, 2008-2012	80.5%	83.9%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	17.7%	23.5%
Veterans, 2008-2012	4,397	493,980
Mean travel time to work (minutes), workers age 16+, 2008-2012	23.2	24.1
Housing units, 2012	18,836	2,834,620
Homeownership rate, 2008-2012	76.6%	68.4%
Housing units in multi-unit structures, percent, 2008-2012	9.0%	18.2%
Median value of owner-occupied housing units, 2008-2012	\$107,300	\$138,700
Households, 2008-2012	16,000	2,468,841
Persons per household, 2008-2012	2.42	2.51
Per capita money income in past 12 months (2012 dollars), 2008-2012	\$22,123	\$24,294
Median household income, 2008-2012	✓ \$41,625	\$44,140
Persons below poverty level, percent, 2008-2012	✓ 15.9%	17.3%
Business QuickFacts	Franklin County	Tennessee
Private nonfarm establishments, 2011	665	129,489 ¹
Private nonfarm employment, 2011	9,370	2,300,542 ¹
Private nonfarm employment, percent change, 2010-2011	-0.1%	1.6% ¹
Nonemployer establishments, 2011	2,678	473,451
Total number of firms, 2007	2,967	545,348
Black-owned firms, percent, 2007	S	8.4%
American Indian- and Alaska Native-owned firms, percent, 2007	F	0.5%

U.S. Department of Commerce

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State & County QuickFacts

Grundy County, Tennessee

People QuickFacts	Grundy County	Tennessee
Population, 2013 estimate	NA	6,495,978
Population, 2012 estimate	13,650	6,454,914
Population, 2010 (April 1) estimates base	13,708	6,346,113
Population, percent change, April 1, 2010 to July 1, 2013	NA	2.4%
Population, percent change, April 1, 2010 to July 1, 2012	-0.4%	1.7%
Population, 2010	13,703	6,346,105
Persons under 5 years, percent, 2012	5.5%	6.3%
Persons under 18 years, percent, 2012	22.5%	23.1%
Persons 65 years and over, percent, 2012	19.3%	14.2%
Female persons, percent, 2012	50.7%	51.2%
White alone, percent, 2012 (a)	97.6%	79.3%
Black or African American alone, percent, 2012 (a)	0.5%	17.0%
American Indian and Alaska Native alone, percent, 2012 (a)	0.5%	0.4%
Asian alone, percent, 2012 (a)	0.2%	1.6%
Native Hawaiian and Other Pacific Islander alone, percent, 2012 (a)	Z	0.1%
Two or More Races, percent, 2012	1.1%	1.6%
Hispanic or Latino, percent, 2012 (b)	1.1%	4.8%
White alone, not Hispanic or Latino, percent, 2012	96.6%	75.1%
Living in same house 1 year & over, percent, 2008-2012	95.0%	84.4%
Foreign born persons, percent, 2008-2012	0.8%	4.5%
Language other than English spoken at home, pct age 5+, 2008-2012	1.2%	6.6%
High school graduate or higher, percent of persons age 25+, 2008-2012	70.0%	83.9%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	10.3%	23.5%
Veterans, 2008-2012	1,012	493,980
Mean travel time to work (minutes), workers age 16+, 2008-2012	26.7	24.1
Housing units, 2012	6,386	2,834,620
Homeownership rate, 2008-2012	79.3%	68.4%
Housing units in multi-unit structures, percent, 2008-2012	5.1%	18.2%
Median value of owner-occupied housing units, 2008-2012	\$79,300	\$138,700
Households, 2008-2012	5,296	2,468,841
Persons per household, 2008-2012	2.56	2.51
Per capita money income in past 12 months (2012 dollars), 2008-2012	\$16,207	\$24,294
Median household income, 2008-2012	✓ \$26,644	\$44,140
Persons below poverty level, percent, 2008-2012	✓ 29.0%	17.3%
Business QuickFacts	Grundy County	Tennessee
Private nonfarm establishments, 2011	163	129,489 ²
Private nonfarm employment, 2011	1,358	2,300,542 ²
Private nonfarm employment, percent change, 2010-2011	1.5%	1.6% ²
Nonemployer establishments, 2011	1,338	473,451
Total number of firms, 2007	1,211	545,348
Black-owned firms, percent, 2007	F	8.4%
American Indian- and Alaska Native-owned firms, percent, 2007	S	0.5%

[Home](#)>[For Members](#)

Managed Care Organizations

To find out **what Doctors or other Health Care Providers take TennCare** you will need to contact your Managed Care Organization. The name of your Managed Care Organization can be found on your TennCare Card. You also will need to contact your Managed Care Organization if you lose your **TennCare Card**. The contact information for the Managed Care Organizations is listed below.

West Tennessee Health Plans

Health Plan	Member Services
UnitedHealthcare Community Plan <u>UnitedHealthcare Community Plan</u> 3175 Lenox Park Blvd. Suite 400 Memphis, TN 38115	1-800-690-1606
BlueCare <u>BlueCare</u> 85 N. Danny Thomas Blvd. Memphis, TN 38103	901-544-2148 or 1-800-468-9698
TennCare Select <u>TennCare Select</u> 801 Pine Street Chattanooga, TN 37402-2555 FAX: (423) 752-6790	1-800-263-5479 After hours: 1-800-999-1658
Counties: Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, Madison, McNairy, Obion, Shelby, Tipton and Weakley	

Middle Tennessee Health Plans

Health Plan	Member Services
UnitedHealthcare Community Plan <u>UnitedHealthcare Community Plan</u> 8 Cadillac Dr. Brentwood, TN 37027	1-800-690-1606
AMERIGROUP <u>www.amerigroupcorp.com</u> Community Care Three Lakeview Place 22 Century Blvd., Suite 310 Nashville, TN 37214	1-800-600-4441

TennCare SelectTennCare Select

801 Pine Street

Chattanooga, TN 37402-2555

FAX: (423) 752-6790

1-800-263-5479

After hours:

1-800-999-1658

Counties: Bedford, Cannon, Cheatham, Clay, Coffee, Cumberland, Davidson, DeKalb, Dickson, Fentress, Giles, Hickman, Houston, Humphreys, Jackson, Lawrence, Lewis, Lincoln, Macon, Marshall, Maury, Montgomery, Moore, Overton, Perry, Pickett, Putnam, Robertson, Rutherford, Smith, Stewart, Sumner, Trousdale, Van Buren, Warren, Wayne, White, Williamson and Wilson

East Tennessee Health Plans

Health Plan	Member Services
BlueCare <u>BlueCare</u> 801 Pine Street Chattanooga, TN 37402-2555 FAX: (423) 752-6790	1-800-468-9698 After hours: 1-800-299-1658
UnitedHealthcare Community Plan <u>UnitedHealthcare Community Plan</u> 2035 Lakeside Centre Way Suite 200 Knoxville, TN 37932 FAX: (865) 690-1941	1-800-690-1606
TennCare Select <u>TennCare Select</u> 801 Pine Street Chattanooga, TN 37402-2555 FAX: (423) 752-6790	1-800-263-5479 After hours: 1-800-999-1658
<p>Counties: Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Claiborne, Cocke, Franklin, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, Marion, McMinn, Meigs, Monroe, Morgan, Polk, Rhea, Roane, Scott, Sequatchie, Sevier, Sullivan, Unicoi, Union and Washington</p>	

Midmonth Report for October 2013

- * This report is a count of people taken in the middle of the month for which the report was run.
- * This report is run three months after the month of the report in an effort to reduce fluctuations in the results.

MCO	REGION	Total
Awaiting MCO assignment		444
AMERIGROUP COMMUNITY CARE	Middle Tennessee	197,171
BLUECARE	East Tennessee	211,799
BLUECARE	West Tennessee	175,851
TENNCARE SELECT	All	46,082
UnitedHealthcare Community Plan	East Tennessee	194,853
	Middle Tennessee	197,590
	West Tennessee	173,621
Grand Total		1,197,412

COUNTY	Female			Male			Female Total	Male Total	Grand Total
	0 - 18	19 - 20	21 - 64	65 ->	0 - 18	19 - 20			
ANDERSON	3,755	297	3,230	593	7,874	3,899	202	1,600	265
BEDFORD	3,364	228	2,262	258	6,112	3,503	117	959	110
BENTON	892	82	798	143	1,916	997	43	435	73
BLEDSE	736	54	627	118	1,534	847	42	352	52
BLOUNT	5,254	401	4,434	685	10,774	5,362	282	1,987	289
BRADLEY	4,978	392	4,287	634	10,292	5,330	250	1,898	265
CAMPBELL	2,676	231	3,004	656	6,567	2,778	191	1,657	369
CANNON	690	48	628	128	1,495	761	45	293	54
CARROLL	1,616	171	1,608	337	3,732	1,836	110	813	142
CARTER	2,934	215	2,568	708	6,426	3,078	169	1,339	256
CHEATHAM	1,779	140	1,434	181	3,532	1,876	105	654	75
CHESTER	930	80	811	147	1,967	965	65	348	64
CLAIBORNE	1,835	170	1,855	538	4,398	1,947	112	1,169	247
CLAY	488	35	410	101	1,034	492	26	267	78
COCKE	2,532	204	2,355	447	5,538	2,640	156	1,334	214
COFFEE	3,146	199	2,664	381	6,389	3,189	121	1,160	170
CROCKETT	1,020	71	740	207	2,038	952	56	337	75
CUMBERLAND	2,836	227	2,307	509	5,880	3,005	149	1,211	211
DAVIDSON	36,288	2,317	27,087	3,193	68,886	37,355	1,700	10,151	1,492
DECATUR	578	61	536	197	1,372	666	33	323	73
DEKALB	1,220	69	1,013	196	2,497	1,266	55	522	101
DICKSON	2,520	178	2,165	302	5,165	2,679	139	851	114
DYER	2,504	243	2,205	432	5,384	2,591	170	941	156
FAYETTE	1,584	125	1,206	293	3,208	1,717	104	548	138
FENTRESS	1,227	116	1,241	365	2,949	1,355	94	803	177
FRANKLIN	1,743	138	1,504	258	3,644	1,839	97	694	110
GIBSON	2,922	242	2,704	605	6,473	3,119	197	1,182	260
GILES	1,409	111	1,213	252	2,985	1,412	81	588	103
GRAINGER	1,318	92	1,096	283	2,789	1,316	68	679	152
GREENE	3,178	233	3,077	731	7,219	3,373	138	1,633	363

COUNTY	Female			Male			Grand Total
	0 - 18	19 - 20	21 - 64	0 - 18	19 - 20	21 - 64	
GRUNDY	1,065	91	1,048	1,168	83	605	4,227
HAMBLEN	4,013	249	2,726	4,066	142	1,235	5,669
HAMILTON	15,370	1,146	13,206	16,117	785	5,302	23,065
HANCOCK	490	45	514	556	47	292	972
HARDEMAN	1,603	129	1,487	1,609	84	751	2,604
HARDIN	1,567	128	1,449	1,626	92	778	2,692
HAWKINS	3,040	251	2,825	3,185	170	1,415	5,029
HAYWOOD	1,402	121	1,330	1,514	89	440	2,150
HENDERSON	1,661	130	1,492	1,697	89	655	2,542
HENRY	1,867	156	1,603	1,969	128	755	2,964
HICKMAN	1,346	130	1,193	1,517	107	656	2,360
HOUSTON	407	27	369	442	25	190	725
HUMPHREYS	910	92	789	992	32	386	1,481
JACKSON	616	49	589	682	33	343	1,151
JEFFERSON	2,819	199	2,220	2,936	129	1,110	4,386
JOHNSON	923	83	859	974	50	561	1,736
KNOX	17,393	1,197	15,441	18,091	801	6,635	26,545
LAKE	412	45	509	515	31	224	840
LAUDERDALE	1,908	161	1,729	1,945	127	690	2,885
LAWRENCE	2,272	195	1,875	2,500	145	892	3,702
LEWIS	691	65	550	712	51	246	1,065
LINCOLN	1,721	135	1,363	1,846	113	663	2,739
LOUDON	2,094	140	1,485	2,125	97	680	3,017
MACON	1,656	121	1,338	1,705	83	671	2,574
MADISON	5,888	472	5,330	5,885	311	1,870	8,394
MARION	1,644	158	1,547	1,659	98	662	2,556
MARSHALL	1,546	109	1,269	1,641	76	533	2,319
MAURY	4,185	287	3,409	4,455	206	1,315	6,165
MCMINN	2,782	210	2,405	2,885	145	1,095	4,337
MCNAIRY	1,682	153	1,634	1,745	118	902	2,960
MEIGS	703	60	585	746	47	320	1,157
MONROE	2,560	222	2,249	2,831	134	1,186	4,406
MONTGOMERY	7,052	513	5,885	7,340	310	1,823	9,685
MOORE	207	21	148	247	16	82	362
MORGAN	1,159	84	907	1,205	70	506	1,891
OBION	1,774	122	1,611	1,910	85	596	2,701
OVERTON	1,141	76	962	1,250	71	542	2,004
PERRY	517	38	383	523	30	234	831
PICKETT	241	16	207	282	9	127	459
POLK	883	57	791	961	51	419	1,497
PUTNAM	3,740	340	3,186	3,864	211	1,687	6,087
RHEA	2,266	148	1,779	2,282	123	865	3,398
ROANE	2,308	187	2,336	2,626	119	1,288	4,251
ROBERTSON	3,411	196	2,253	3,575	127	888	4,757
RUTHERFORD	11,440	877	7,880	11,877	522	2,802	15,585
SCOTT	1,789	129	1,676	1,844	113	936	3,083
SEQUATCHIE	928	77	781	960	53	420	1,488
SEVIER	4,638	315	3,068	4,973	162	1,270	6,566
SHELBY	68,385	5,539	54,736	69,858	4,071	16,177	92,623
			6,614			2,517	227,898

14141001

COUNTY	Female				Male				Male Total	Grand Total
	0 - 18	19 - 20	21 - 64	65 →	0 - 18	19 - 20	21 - 64	65 →		
SMITH	1,007	73	854	170	1,024	46	413	64	1,547	3,551
STEWART	649	55	614	118	714	33	291	56	1,094	2,530
SULLIVAN	7,049	562	6,685	1,330	7,494	421	3,338	575	11,827	27,452
SUMNER	6,690	468	5,328	783	7,108	360	2,055	305	9,828	23,097
TIPTON	3,379	292	2,643	367	3,558	215	943	146	4,861	11,542
TROUSDALE	483	35	382	87	455	38	180	37	709	1,697
UNICOI	884	50	783	269	979	43	366	124	1,512	3,498
UNION	1,301	78	923	164	1,279	63	521	81	1,945	4,411
VAN BUREN	287	22	258	62	314	16	155	45	530	1,158
WARREN	2,582	181	2,120	423	2,661	122	1,029	182	3,994	9,299
WASHINGTON	4,886	406	4,800	975	5,100	294	2,267	394	8,055	19,121
WAYNE	717	60	644	177	788	46	330	77	1,240	2,838
WEAKLEY	1,684	219	1,504	323	1,746	113	735	111	2,705	6,434
WHITE	1,575	121	1,329	326	1,658	103	760	120	2,642	5,993
WILLIAMSON	2,604	146	1,693	338	2,747	105	655	124	3,631	8,411
WILSON	4,212	293	3,420	493	4,402	190	1,353	179	6,124	14,541
Grand Total	338,056	25,725	279,852	46,842	352,086	18,138	116,840	19,872	506,936	1,197,411

SUPPORT LETTERS

PHYSICIANS & SURGEONS, INC.

215 S. Cedar Lane
P. O. Box 577
Pulaski, Tennessee 38478
(931) 363-2511
Fax (931) 424-6109

Daoud Abudlab, MHSA, Administrator
Donna Roberts, Office Manager

Charles W. Burger, M.D.

Charles D. Haney, M.D.

James H. Beall, III, M.D.

February 4, 2014

Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

RE: Proposed Mobile PET Service at STMC in Winchester

To Whom It May Concern:

This letter is to express support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that this practice would refer an estimated 1 (+/-) patient to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,



James H. Beall, III, MD

JB/skl

TENNESSEE ONCOLOGY

www.tn oncology.com

February 1, 2014

Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

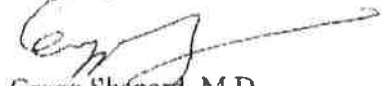
RE: Proposed Mobile PET Service at STMC in Winchester

This letter is to express support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that this practice would refer an estimated 2 patients to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,



Gregg Shepard, M.D.
Oncology

LAWRENCE COUNTY
SURGICAL
SERVICES

Michael A. Boyd, MD, FACS
BOARD CERTIFIED
GENERAL SURGEON

February 1, 2014

Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

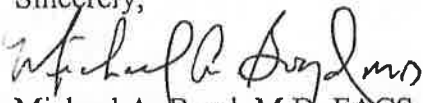
RE: Proposed Mobile PET Service at STMC in Winchester

This letter is to express support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that this practice would refer an estimated 2 patients to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,



Michael A. Boyd, M.D. FACS
General Surgeon

192 Prosser Road
Lawrenceburg, TN 38464

phone 931-762-2332
fax 931-762-1613



Norman McNulty, MD, NEUROLOGIST

February 1, 2014

Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

RE: Proposed Mobile PET Service at STMC in Winchester

This letter is to express support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that this practice would refer an estimated 2 patients to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,

Norman McNulty, M.D.
Neurology

1605 South Locust Avenue, Suite 103
Lawrenceburg, TN 38464

Phone 931.766.3637
Fax 931.766.7071

1383 South College St.
P.O. Box 830
Winchester, TN 37398

WINCHESTER EAR, NOSE AND THROAT
Frank G. Rao, MD, FACS
Board Certified

Phone (931) 962-3500
Fax (931) 962-3545

February 1, 2014


Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

RE: Proposed Mobile PET Service at STMC in Winchester

This letter is to express support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that this practice would refer an estimated two patients to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,

Frank G. Rao, MD, FACS

**Southern
Tennessee**
MEDICAL CENTER

**Emerald
Hodgson**
HOSPITAL

EMERALD HODGSON HOSPITAL

FEB 14 12 44 PM '13

November 11, 2013

Heather Harper, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, TN 37398

Dear Heather Harper,

Previously, I understood that STMC had a mobile PET/CT service that was utilized by the medical oncology group located at STMC. I am in support of bringing the PET/CT service back to STMC. As a practicing neurologist I anticipate that my volumes would be on average 16 studies per month. PET scans are a standard of care that neurologist use on a routine basis to diagnose Alzheimer's, Strokes and the presence of tumors.

I expect a wider range of ordering physicians than before, such as pulmonology, neurology along with the oncology groups in the area. If you have any additional questions I can be reached at (931) 967-0042. Thank you for your consideration.

Raymond Capps, M.D.



2055

February 1, 2014

Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

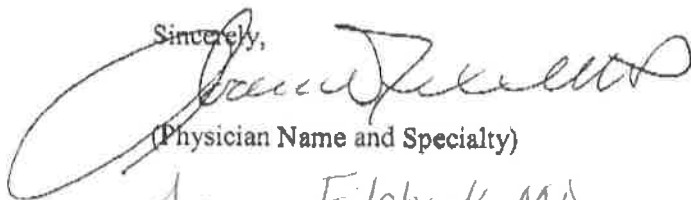
RE: Proposed Mobile PET Service at STMC in Winchester

This letter is to express support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that this practice would refer an estimated 1-2 patients to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,



(Physician Name and Specialty)

Jeanne Filchack, MD
Family Medicine

CUMBERLAND
HEALTHCARE GROUP, PLLC

SEWANEE FAMILY PRACTICE

1314 UNIVERSITY AVENUE
PO BOX 700
SEWANEE, TN 37375
(931) 598-5648/Fax (931) 598-9984

Matthew J. Pettrilla, DO
Louis E. Koella, MD
David C. Martin, DO

February 1, 2014

Heather L. Harper, MCHS, COO
Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398


RE: Proposed Mobile PET Service at STMC in Winchester

This letter is to express my support for the proposed resumption of weekly mobile PET/CT service at your hospital.

I estimate that my practice would refer an estimated two patients to that service each month, assuming it is available for a half day each week.

This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,



David C. Martin, D.O.
DCM/mjt

CUMBERLAND

HEALTHCARE GROUP, PLLC

SEWANEE FAMILY PRACTICE

1314 UNIVERSITY AVENUE
PO BOX 700
SEWANEE, TN 37375
(931) 598-5648/Fax (931) 598-9984

Matthew J. Petrilla, DO
Louis E. Koella, MD
David C. Martin, DO

February 4, 2014

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Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

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Sincerely,



Matthew J. Petrilla, D.O.
MJP/mjt

CUMBERLAND
HEALTHCARE GROUP, PLLC

SEWANEE FAMILY PRACTICE

1314 UNIVERSITY AVENUE
PO BOX 700
SEWANEE, TN 37375
(931) 598-5648/Fax (931) 598-9984

Matthew J. Petrilla, DO
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David C. Martin, DO

February 4, 2014

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Southern Tennessee Medical Center
185 Hospital Road
Winchester, Tennessee 37398

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This would not include our patients who express a preference for using PET/CT services elsewhere.

Sincerely,



Louis E. Koella, M.D.
LEK/mjt

C, Orderly Development--7(C)
Licensing & Accreditation Inspections

September 13, 2012

Karen Kirby, R.N.
Regional Administrator
TN Department of Health
Office of Health Licensure and Regulation
East Tennessee Region
5904 Lyons View Pike, Bldg. 1
Knoxville, TN 37919

RE: Southern Tennessee Medical Center SNF Survey – August 27-29, 2012
CMS Certification Number (CCN): 44-5222

Dear Ms. Kirby:

Enclosed please find the completed statement of deficiencies and plan of correction for Southern Tennessee Medical Center SNF. Should you have any questions, or need any additional information, please call (931)967-8260.

Sincerely,



Jane Edwards, Administrator
Southern TN Medical Center SNF

JE ktj



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
OFFICE OF HEALTH LICENSURE AND REGULATION
EAST TENNESSEE REGION
5904 LYONS VIEW PIKE, BLDG. 1
KNOXVILLE, TENNESSEE 37919

October 24, 2012

Ms. Jane Edwards, Administrator
Southern TN Medical Center SNF
629 Hospital Road
Winchester TN 37398

Re: 44-5222

Dear Ms. Edwards:

The East Tennessee Regional Office of Health Care Facilities conducted a Health and Life Safety recertification survey on August 27 - 29, 2012. An on-site revisit and review of your plan of correction for the deficiencies cited as a result of the survey was conducted on October 9, 2012. Based on the on-site revisit, we are accepting your plan of correction and your facility is in compliance with all participation requirements as of September 13, 2012.

If you have any questions concerning this letter, please contact our office at (865) 588-5656.

Sincerely,

Karen B. Kirby, R.N.
Regional Administrator
ETRO Health Care Facilities

KK:af

CENTERS FOR MEDICARE & MEDICAID SERVICES				
STATE, AND PLAN OF DEFICIENCIES OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF		STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
F 176 SS=D	<p>483.10(n) RESIDENT SELF-ADMINISTER DRUGS IF DEEMED SAFE</p> <p>An individual resident may self-administer drugs if the interdisciplinary team, as defined by §483.20(d)(2)(ii), has determined that this practice is safe.</p> <p>This REQUIREMENT is not met as evidenced by: Based on medical record review, observation, and interview the facility failed to assess residents for self administration of medication for one (#1) of nine residents reviewed.</p> <p>The findings included:</p> <p>Resident #1 was admitted to the facility on August 25, 2012, with diagnoses including Fractured Tibia, Hypertension, and Hypercholesterol.</p> <p>Medical record review revealed a Minimum Data Set had not been completed due to the admission date of August 25, 2012.</p> <p>Observation and Interview with resident #1 on August 27, 2012, at 10:00 a.m., revealed the resident lying in bed watching the television. Continued observation revealed a bottle of Zegerid OTC (Over-the-Counter) 20-mg capsules (medication for heartburn) sitting on the resident's over bed table. Continued observation revealed the label on the bottle stated the bottle contained fourteen capsules and thirteen capsules were in the bottle upon observation. Interview with the resident, at that time, revealed, "I take one capsule every morning for my heartburn. I take it before breakfast."</p>	F 176	<p>1. Corrective actions accomplished for the resident found to have been affected by the deficient practice: With the resident's permission, the resident's medication was placed in the resident's medication drawer on the medication cart for administration by the nurse on 8/27/12.</p> <p>2. Identification of other residents having the potential to be affected by the same deficient practice: Because all residents have the potential to be affected by this practice, the DON assessed all residents for presence of medications at the bedside and no medications were found by 8/28/12.</p> <p>3. Systemic and Process Changes Implemented to Prevent Recurrence:</p> <p>a. All RNs, LPNs, CNAs, Social Worker and Activity Coordinators were re-educated on the policy "Home Medications/Self Administration of Medications 1-600-3.29" (Attachment A) as well as use of the "Self-Administration of Medication Assessment Form" (Attachment B) during inservice and one-to-one education by the DONs by 9/12/12 (Attachment C). This policy guides the assessment of the resident for the capability of medication self-administration. The RN who was on vacation during the education will be re-educated when she returns to work. Review of policy will be added to orientation for new RNs, LPNs and CNAs.</p> <p>b. Social Worker will include notification to residents/families prior to admission to the facility on the Home Medication/Self Administration policy during the pre-admission interview and Home Medications/Self Administration policy will be discussed with resident/family during Care Plan meetings.</p>	8/27/12 8/28/12 9/12/12

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE: Joe Edwards TITLE: Administrator DATE: 9/13/12

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF		STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
F 176	Continued From page 1	F 176		
	<p>Medical record review of a Physician's Order dated August 27, 2012, revealed, " May have Zegerid at bedside."</p> <p>Interview with Registered Nurse (RN) #1 on August 27, 2012, at 10:15 a.m., at the nursing station, revealed, "The resident asked if he/she could have the Zegerid at bedside. The resident appeared alert and oriented so I called the physician and got an order to leave it at bedside". Continued interview revealed the Physician had not been to the facility to evaluate the resident since the day of admission on August 25, 2012.</p> <p>Review of a Physician's Order dated August 28, 2012, revealed, "2 gm (gram) Sodium Diet."</p> <p>Review of the label on the bottle of Zegerid OTC revealed, "DRUG FACTS...Sodium Bicarbonate 1100mg (milligrams)..."</p> <p>Review of the Epocrates Medical Reference, 2012, revealed, "... Do not crush or chew...Give one hour before meals...Caution if sodium restrictions ..."</p> <p>Interview with RN #1 on August 28, 2012, at 10:30 a.m., in the Administrator's Office revealed, "The Physician ordered the 2gm Sodium Diet because I reminded him that the Zegerid OTC contained 1100 mg of sodium in every capsule." Continued interview, at that time, revealed, "The Zegerid OTC would be given by the nurse every day."</p> <p>Interview with RN #1 on August 28, 2012, at 11:15 a.m., at the nursing station, confirmed the</p>		<p>c. Resident/family education of the "Home Medications Self Administration of Medications" policy has been added to the admission check-off list (Attachment D).</p> <p>4. Audits for both buildings: The DONs/Charge RNs will round on each admission to ensure no bedside medications are present or that any resident deemed appropriate for medication self-administration has been assessed for competency to self administer medications by the primary nurse, that the assessment has been documented, and that a physician order for patient self-administration of specific medications has been obtained. Results reporting of this audit have been added to the agenda (Attachment E) by 9/12/12 and will be presented at the monthly Quality Committee meeting beginning at the October meeting. Members of this committee include the Medical Director, Nursing Home Administrator, DONs, Social Worker, Dietician, Activities Director and the MDS Coordinator.</p>	9/12/12

OF DEFICIENCIES STATE AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____	(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398	
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F 176	Continued From page 2 resident had not been assessed for self administration of medication.	F 176	1. Corrective actions accomplished for the resident found to have been affected by the deficient practice: The MDS assessment for resident #2 was completed by 8/28/12.	8/28/12
F 273 SS=D	483.20(b)(2)(i) COMPREHENSIVE ASSESSMENT 14 DAYS AFTER ADMIT A facility must conduct a comprehensive assessment of a resident within 14 calendar days after admission, excluding readmissions in which there is no significant change in the resident's physical or mental condition. (For purposes of this section, "readmission" means a return to the facility following a temporary absence for hospitalization or for therapeutic leave.) This REQUIREMENT is not met as evidenced by: Based on medical record review and interview the facility failed to complete a fourteen day Minimum Data Set (MDS) for one resident (#2) of nine residents reviewed. The findings included: Resident #2 was admitted on August 1, 2012, with diagnoses including Anemia, Urinary Tract Infection, Diabetes Mellitus, Prostate Cancer, and Pancreas Cancer. Medical record review revealed no fourteen day MDS assessment available in the chart for review Interview with the Director of Nursing, on August 28, 2012, at 8:15 a.m., in the nurse's station, confirmed no MDS assessment had been completed for resident #2 prior to August 27, 2012	F 273	2. Identification of other residents having the potential to be affected by the same deficient practice: Because all residents have the potential to be affected by failure to complete the MDS assessment, all resident records were reviewed for presence of completed assessment, if applicable, by 8/28/12. No other deficiencies were found. 3. Systemic and Process Changes Implemented to Prevent Recurrence: a. The MDS Coordinator was counseled on time management, maintaining a daily schedule and notifying the DON of potential delays in completing MDS by 9/11/12 by the Nursing Home Administrator. b. A monthly calendar was developed which includes scheduled MDS assessment due dates by 9/12/12. c. Education of a second nurse to perform the MDS assessments and submissions was completed by 9/13/12. This nurse will serve as a back up when the primary MDS Coordinator is on leave or vacation. 4. Audits for both buildings Record of transmittal will be printed by the MDS Coordinator after submitting the MDS. The Nursing Home Administrator/DON will review each record of transmittal beginning 9/13/12. The Nursing Home	8/28/12 8/28/12 9/13/12 9/13/12

CENTERS FOR MEDICARE & MEDICAID SERVICES

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
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F 273	Continued From page 3		F 273	Administrator DON will also monitor the monthly calendar of MDS assessment due dates for adherence to the schedule beginning 9/13/12. The results of these audits will be reported to the Quality Committee monthly beginning at the October meeting. The Quality Committee representatives include the Medical Director, Nursing Home Administrator, DONs, Social Worker, Dietician, Activities Director and MDS Coordinator.	
F 371	<p>483.35(i) FOOD PROCURE, SS=F STORE/PREPARE/SERVE - SANITARY</p> <p>Interview with the MDS Coordinator, on August 28, 2012, at 1:00 p.m., in the MDS office, confirmed no fourteen day MDS had been completed by August 23, 2012. Continued interview confirmed the fourteen day MDS had been completed on August 27, 2012.</p> <p>The facility must -</p> <p>(1) Procure food from sources approved or considered satisfactory by Federal, State or local authorities; and</p> <p>(2) Store, prepare, distribute and serve food under sanitary conditions</p> <p>This REQUIREMENT is not met as evidenced by:</p> <p>Based on observation and interview, the facility failed to provide sanitary storage of food and equipment and failed to maintain appropriate serving temperatures for food items on the tray line in kitchen #1 and failed to ensure a pest free environment in the dry storage area in kitchen #2.</p> <p>The findings included:</p> <p>Observation of the dietary department in kitchen #1 on August 27, 2012, from 10:30 a.m. until 11:15 a.m., revealed:</p> <ol style="list-style-type: none"> 1. One six pound nine ounce can of Mandarin Oranges was dented and available for use; 2. One opened, plastic container of icing in the 		F 371	<p>1. Corrective actions accomplished for the resident found to have been affected by the deficient practice:</p> <ol style="list-style-type: none"> 1. The dented can of mandarin oranges was moved to designated shelf for return to vendor on 8/27/12. 2. The opened plastic container of icing was disposed of on 8/27/12. 3. The container of grapes was covered and dated and the employee was re-educated on proper storage requirement on 8/27/12. 4. The frozen taco meat was disposed of and dietary employees were instructed that if item would not be used within 72 hours it must be disposed of rather than frozen on 8/27/12. 5. The containers of sausage balls in the walk in freezer were disposed of and dietary employees were instructed that if an item would not be used within 72 hours it must be disposed of rather than frozen on 8/27/12. 6. The container of thickener was disposed of on 8/27/12. 7. The bag of flour was labeled and stored correctly on 8/27/12. 8. The opened bag of almonds was disposed of on 8/27/12. 9. The table-mounted can opener and table were cleaned on 8/27/12. 	8/28/12

CENTERS FOR MEDICARE & MEDICAID SERVICES

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NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF		STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398	
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F 371	Continued From page 4 walk-in refrigerator, had an expiration date of August 22, 2012 and available for use; 3. Grapes uncovered, in a metal pan with water, stored in the walk-in refrigerator and available for use; 4. Frozen taco meat covered with broken plastic wrap and aluminum foil had an expiration date of June 25, 2012, and available for use; 5. Three containers of sausage balls in the walk in freezer had expiration dates of June 6, July 15, and July 5, 2012, and available for use; 6. Five pound container of thickener stored open on the shelf in the dry storage area and available for use; 7. A five pound bag of flour, unlabeled, stored open on the shelf, and available for use; 8. A two pound bag of almonds, unlabeled, stored open on the shelf and available for use; 9. Table mounted can opener had chunks of tomato stuck to it and available for use; 10. A large plastic container of sugar, unlabeled, and available for use; 11. A container of cocoa had a spoon inside and available for use; 12. A container of cinnamon had a spoon inside and available for use; 13. A piping bag full of icing, unlabeled, wrapped in clear plastic wrap and available for use; 14. A container of chicken fry had a scoop inside and available for use; 15. There was in excess of five flies in the kitchen; 16. Standing water in the dishwasher area of the kitchen and no Wet Floor sign present; 17. A walk-in refrigerator door was cracked open three inches for a minimum of 5 minutes; 18. Dishwasher final rinse was at sixty-five degrees instead of the required one hundred	F 371	10. The sugar container was labeled appropriately on 8/27/12. 11. The container of cocoa was disposed of on 8/27/12. 12. The container of cinnamon was disposed of on 8/27/12. 13. The bag of icing was disposed of on 8/27/12. 14. The scoop was removed from the container of chicken fry coating and the responsible employee was counseled on 8/27/12. 15. Staff were instructed to keep the hallway doors closed to reduce chance of flies entering the dietary department on 8/28/12. 16. A "Wet Floor" sign was placed in the dishwasher area where the floor was wet on 8/27/12. 17. The door on the walk-in refrigerator was closed on 8/27/12. 18. Facility Plant Operations had performed maintenance on the dishwasher and then repairman (Hobart) was contacted on 8/27/12. Repairman arrived and completed repairs on 8/28/12. The Director of Dietary has requested quotes for a new dishwasher. 19. Repairman (Ecolab) arrived on 8/28/12 for the sanitizer sink. The sanitizer would not calibrate with 80° water entering tank. 20. The stand-up meat slicer was thoroughly cleaned on 8/27/12. 21. The food strainer was removed from service on 8/27/12. 22. The entire tray line was broken down and cleaned on 8/27/12. 23. The sheet pan was cleaned on 8/27/12. 24. The spatula was cleaned on 8/27/12. 25. All items were removed from the shelf and all items, including the container with tongs, were cleaned.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

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STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
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F 371	Continued From page 5 eighty degrees; 19. The sanitizer sink measured over 500 parts per million and was being used; 20. The stand-up meat slicer had particles of sliced meat and a build-up of food debris on the base, and available for use; 21. A cone shaped food strainer had a build-up of yellow food debris in the bottom of the strainer, and available for use; 22. The tray line had a build-up of food particles and debris under the entire line, and available for use; 23. A sheet pan had food particles and debris and available for use; 24. A spatula had a crusty build-up of food on the end of the blade and available for use; 25. Six tongs were stored in a container with food particles and debris in the bottom, and available for use. Interview with the dietary manager on August 27, 2012, at 11:15 a.m., in the dietary department, confirmed dented cans were to be removed from stock; all expired food items were to be disposed of on their expiration date; all open food in the walk in refrigerator was to be covered; all items stored after opening were to be closed and labeled with an expiration date; the table mounted can opener should have been cleaned after being used; all plastic containers used for storage were to be labeled with contents; no spoons or scoops were to be stored in containers with products; there were to be no flies in the kitchen; a wet floor sign needed to be in the dishwasher room; the walk in refrigerator door should have been closed after being used; the dishwasher temperatures were not in acceptable ranges; the sanitizer sink was not in acceptable range; the	F 371			

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____	(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398	
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F 371	Continued From page 6 stand up meat slicer was dirty and needed to be cleaned; the strainer, spatula, tongs, and sheet pan all needed to be cleaned; and the tray line needed to be taken apart and cleaned. Observation of food temperatures in the dietary department on August 27, 2012, between 11:15 a.m., and 11:30 a.m., on the tray line revealed: 1. Green beans at 131 degrees Fahrenheit; 2. Chicken patties at 134 degrees Fahrenheit. Interview with the dietary manager on August 27, 2012, at 11:30 a.m., in the dietary department, confirmed the temperatures of the food on the tray line had fallen below acceptable temperature limits since being placed on the steam table for service. Observation of food temperatures in the dietary department on August 28, 2012, between 11:15 a.m., and 11:30 a.m., on the tray line revealed: 1. Pork chops at 124 and 137 degrees Fahrenheit. Interview with the dietary manager on August 28, 2012, at 11:30 a.m., in the dietary department, confirmed the temperatures of the food on the tray line had fallen below acceptable temperature limits since being placed on the steam table for service.	F 371	1. The green beans were brought up to correct temperature before serving on 8/27/12. 2. The fully-cooked chicken patties were brought to temperature above 140° before serving on 8/27/12. 1. The fully-cooked pork chops were brought up to temperature above 140° before serving on 8/28/12.	8/27/12 8/28/12
	Observation on August 27, 2012 at 2:10 p.m., in the kitchen #2 dry storage area revealed the presence of ants on the dry storage shelving, located on the east wall of the room. Continued observation, revealed a line of ants entering the dry storage room through a penetration in the		The penetration located in the dry storage room was repaired on 8/27/12. Terminix (insect control contractor) arrived on 8/27/12 to treat the dry storage room for ants. The boxes in the dry storage room were cleared of ants on 8/27/12. No other insects have been seen in the department since the 8/27/12 visit.	8/27/12

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NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
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F 371	Continued From page 7 concrete floor beside the electrical conduits. Continued observation revealed an open cardboard case containing 16 sealed packets of four ounce maple syrup atop the shelf. Continued observation revealed ants were present on the outside of the case. Continued observation of the dry storage racks on the west wall of the dry storage room revealed multiple ants present on the shelving. Atop the shelving were two cardboard boxes containing sealed individual packs of sugar, and Splenda (a sugar substitute). Continued observation revealed ants were also present on the outside surface of a sealed box which contained cases of sealed cereals. Interview with Dietary Manager #2 on August 27, 2012, at 2:15 p.m. in the dry storage room, confirmed the presence of ants on the shelving used to store dry goods which were available for resident use.	F 371	2. Identification of other residents having the potential to be affected by the same deficient practice: All residents had the potential to be affected by deficiencies in the dietary department. 3. Systemic and Process Changes Implemented to Prevent Recurrence: All scheduled dietary employees were educated by the Director of the Dietary Department on each item identified during the survey by 9/13/12 (Attachment F). Employees who are off duty (i.e. sick leave or vacation) will be educated on each item upon their return to duty. All new employees will be oriented to the requirements during the orientation process. The Dietary Director was instructed by the CNO and Infection Control Practitioner to notify Administration and the Infection Control Practitioner any time the dishwasher temperature is unsatisfactory so that we ensure interim measures are implemented for resident safety on 8/28/12. 4. Audits for both buildings A tool (Attachment G) was developed for use in auditing items needing improvement identified in the survey. The tool was implemented 9/13/12. The Dietary Consultant, Director of Dietary Department, Nursing Home Administrator and DON/designee are responsible for monitoring each item at least 3 times weekly for 3 months, then weekly for 9 months or until our next annual licensure survey. Audit results will be reported to the Quality Committee monthly beginning at the October meeting. The Quality Committee representatives include the Medical Director, Nursing Home Administrator, DONs, Social Worker, the Dietician, the Activities Coordinator and MDS Coordinator. The audit	9/13/12	9/13/12

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TN2601	(X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		(X3) DATE SURVEY COMPLETED 08/29/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
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N 000	Initial Comments During the annual licensure survey conducted on August 27 - 29, 2012, at Southern Tennessee Medical Center SNF, no deficiencies were cited in relation to the survey under 1200-8-6, Standards for Nursing Homes.	N 000	results will also be reported monthly to the Safety Committee beginning at the 9/18/12 meeting. The members of the Safety Committee include the Plant Operations Director of both facilities, CNO, COO, Patient Safety Officer/Quality Manager, Materials Management Director, OB Manager, ED Manager, Lab Manager, Patient/Staff Educator, Risk Manager, EVS Manager and Imaging Director.		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

STATE FORM

Jan Edwards

TITLE

Administrator

(X6) DATE

9/13/12

9HQ411

If continuation sheet 1 of 1

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

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STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING 01 B. WING _____		(X3) DATE SURVEY COMPLETED 08/27/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
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K 025 SS-E	<p>NFPA 101 LIFE SAFETY CODE STANDARD</p> <p>Smoke barriers are constructed to provide at least a one half hour fire resistance rating in accordance with 8.3. Smoke barriers may terminate at an atrium wall. Windows are protected by fire-rated glazing or by wired glass panels and steel frames. A minimum of two separate compartments are provided on each floor. Dampers are not required in duct penetrations of smoke barriers in fully ducted heating, ventilating, and air conditioning systems 19.3.7.3, 19.3.7.5, 19.1.6.3, 19.1.6.4</p> <p>This STANDARD is not met as evidenced by: Based on observation, it was determined the facility failed to protect the fire and smoke barriers.</p> <p>The finding included:</p> <p>On 8/27/12 at 12:50 PM observation within the ceiling space above the egress door next to the shower room of the Winchester Facility revealed a penetration in the fire wall</p> <p>This finding was acknowledged by the Administrator and verified by the Maintenance Director during the exit interview on 8/27/12.</p>		K 025	<p>Corrective actions: Plant Operations repaired the missing section of upper-rated wall approximately 3"x2" with fire barrier packing and fire caulk on 8/28/12. Identification of other residents potentially affected: Because penetrations in fire walls have the potential to affect the safety of all residents, the following actions were taken: Action for both buildings: Plant Operations performs a semi-annual Preventive Maintenance inspection to inspect fire walls and smoke walls for penetration. We are currently inspecting <u>all</u> fire and smoke walls throughout the facilities for penetrations. Audits for both buildings: Findings and repairs will be reported at the monthly Safety Committee meeting beginning on 9/13/12. The members of the Safety Committee include the Plant Operations Director of both facilities, CNO, COO, Patient Safety Officer/Quality Manager, Materials Management Director, OB Manager, ED Manager, Lab Manager, Patient/Staff Educator, Risk Manager, EVS Manager and Imaging Director.</p>	8/28/12
K 147 SS-D	<p>NFPA 101 LIFE SAFETY CODE STANDARD</p> <p>Electrical wiring and equipment is in accordance with NFPA 70, National Electrical Code, 9.1.2</p>		K 147		

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

Joe Edwards

TITLE

Administrator

(X6) DATE

9/13/12

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED 08/30/2012
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 - MAIN BUILDING 01 B. WING _____		(X3) DATE SURVEY COMPLETED 08/27/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
K 147	Continued From page 1 This STANDARD is not met as evidenced by: Based on observation, it was determined the facility failed to maintain the electrical equipment. The finding included: On 8/27/12 at 1:15 PM, observation within the ceiling space above the activity room fire door of the Winchester Facility revealed an unsecured junction box. This finding was acknowledged by the Administrator and verified by the Maintenance Director during the exit interview on 8/27/12.		K 147	Corrective actions: Plant Operations secured the junction box within the ceiling space above the activity room fire door at the Winchester facility on 8/28/12. Identification of other residents potentially affected: Because unsecured junction boxes have the potential to affect the safety of all residents, the following actions were taken: Action for both buildings: Plant Operations performs a semi-annual Preventive Maintenance to inspect junction boxes and wiring within the ceiling spaces. Plant Operations is currently inspecting all ceiling spaces throughout the facilities for unsecured junction boxes or other issues. Audits for both buildings: Findings and repairs will be reported at the monthly Safety Committee meeting beginning on 9/18/12. The members of the Safety Committee include the Plant Operations Director of both facilities, CNO, COO, Patient Safety Officer/Quality Manager, Materials Management Director, OB Manager, ED Manager, Lab Manager, Patient/Staff Educator, Risk Manager, EVS Manager and Imaging Director.	8/28/12

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 08/30/2012
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OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 445222	(X2) MULTIPLE CONSTRUCTION A. BUILDING 03 - EMERALD/HODGSON B. WING _____		(X3) DATE SURVEY COMPLETED 08/27/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 629 HOSPITAL ROAD WINCHESTER, TN 37398		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
K 067 SS=E	<p>NFPA 101 LIFE SAFETY CODE STANDARD</p> <p>Heating, ventilating, and air conditioning comply with the provisions of section 9.2 and are installed in accordance with the manufacturer's specifications. 19.5.2.1, 9.2, NFPA 90A, 19.5.2.2</p> <p>This STANDARD is not met as evidenced by: Based on testing and observation, it was determined the facility failed to maintain the heating and air-conditioning system.</p> <p>This finding included:</p> <p>On 8/27/12 at 2:50 PM observation within resident rooms 17 and 19 of the Sewanee Facility revealed the exhaust fan units in the bathrooms were not working.</p> <p>This finding was acknowledged by the Administrator and verified by the Maintenance Director during the exit interview on 8/27/12</p>		K 067	<p>Corrective actions: Plant Operations replaced the loose drive belt for the exhaust fan units for the bathrooms in resident rooms 17 and 19 at the Sewanee facility on 8/29/12. Plant Operations then replaced all other drive belts on exhaust fans in the unit. Identification of other residents potentially affected: Because non-functional exhaust fans have the potential to affect all residents, the following actions were taken: Actions for both buildings: Plant Operations performs a semi-annual Preventive Maintenance to inspect exhaust fans in the facilities. Audits for both buildings: Findings and repairs will be reported at the monthly Safety Committee meeting beginning on 9/18/12. The members of the Safety Committee include the Plant Operations Director of both facilities, CNO, COO, Patient Safety Officer/Quality Manager, Materials Management Director, OB Manager, ED Manager, Lab Manager, Patient/Staff Educator, Risk Manager, EVS Manager and Imaging Director.</p>	8/29/12

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TN2601	(X2) MULTIPLE CONSTRUCTION A. BUILDING 03 - EMERALD/HODGSON B. WING _____	(X3) DATE SURVEY COMPLETED 08/27/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF		STREET ADDRESS, CITY, STATE, ZIP CODE 829 HOSPITAL ROAD WINCHESTER, TN 37398		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
N 831	1200-8-6-.08 (1) Building Standards (1) A nursing home shall construct, arrange, and maintain the condition of the physical plant and the overall nursing home environment in such a manner that the safety and well-being of the residents are assured This Rule is not met as evidenced by: Based on observation, it was determined the facility failed to maintain the heating and air-conditioning system. This finding included: On 8/27/12 at 2:10 PM observation within the dietary area of the Sewanee Facility revealed three air- return registers were dust laden This finding was acknowledged by the Administrator and verified by the Maintenance Director during the exit interview on 8/27/12.	N 831	Corrective actions: Plant Operations removed, cleaned and then painted the three dust-laden air-return registers at the Sewanee facility on 8/28/12. All other air-return registers were examined for dust/need for repair. Identification of other residents potentially affected: Because all residents have the potential to be affected by dust-laden air return registers, the following actions were taken: Actions for both buildings: Dietary Manager/designee will inspect all air-return registers on a monthly basis. Audits for both buildings: Findings and repairs will be reported at the monthly Safety Committee meeting beginning on 9/18/12. The members of the Safety Committee include the Plant Operations Director of both facilities, CNO, COO, Patient Safety Officer/Quality Manager, Materials Management Director, OB Manager, ED Manager, Lab Manager, Patient/Staff Educator, Risk Manager, EVS Manager and Imaging Director.	8/28/12
N 901	1200-8-6-.09(1) Life Safety (1) Any nursing home which complies with the required applicable building and fire safety regulations at the time the board adopts new codes or regulations will, so long as such compliance is maintained (either with or without waivers of specific provisions), be considered to be in compliance with the requirements of the new codes or regulations. This Rule is not met as evidenced by: Based on testing and observation, it was	N 901	Corrective actions: Plant Operations replaced the night light in resident room 19 at the Sewanee facility on 8/27/12. All other night lights were inspected by 8/28/12. Identification of other residents potentially affected: Because the safety of all residents could potentially be affected by a malfunctioning night light, the following actions were taken: Actions for both buildings: Housekeeping must check functional status of night light daily when cleaning resident rooms. Any failures must be reported to Plant Operations for repair. Audits for both buildings: Findings and repairs will be reported at the monthly Safety Committee meeting beginning on 9/18/12. The members	8/28/12

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

STATE FORM

6849

9HQ421

If continuation sheet 1 of 2

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TN2601	(X2) MULTIPLE CONSTRUCTION A BUILDING 03 - EMERALD/HODGSON B WING _____		(X3) DATE SURVEY COMPLETED 08/27/2012
NAME OF PROVIDER OR SUPPLIER SOUTHERN TENN MEDICAL CENTER SNF			STREET ADDRESS, CITY, STATE, ZIP CODE 829 HOSPITAL ROAD WINCHESTER, TN 37398		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
N 901	Continued From page 1 determined the facility failed to maintain the night light and the general lighting system. This finding included: On 8/27/12 at 2:12 PM testing of the night light within resident room 19 of the Sewanee Facility revealed the night light was not working. This finding was acknowledged by the Administrator and verified by the Maintenance Director during the exit interview on 8/27/12.		N 901	of the Safety Committee include the Plant Operations Director of both facilities, CNO, COO, Patient Safety Officer/Quality Manager, Materials Management Director, OB Manager, ED Manager, Lab Manager, Patient/Staff Educator, Risk Manager, EVS Manager and Imaging Director.	

Southern Tennessee Medical Center, LLC
185 Hospital Road
Winchester, TN 37398

Organization Identification Number: 3796

Evidence of Standards Compliance (45 Day) Submitted: 3/18/2013

Program(s)
Hospital Accreditation

Executive Summary

Hospital Accreditation : As a result of the accreditation activity conducted on the above date(s), there were no Requirements for Improvement identified.

You will have follow-up in the area(s) indicated below:

- Measure of Success (MOS) – A follow-up Measure of Success will occur in four (4) months.

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

**The Joint Commission
Summary of Compliance**

Program	Standard	Level of Compliance
HAP	LS.02.01.20	Compliant
HAP	MM.01.02.01	Compliant
HAP	PC.01.02.07	Compliant
HAP	PC.03.01.03	Compliant
HAP	PC.04.01.05	Compliant
HAP	RC.02.01.01	Compliant

**The Joint Commission
Summary of CMS Findings**

CoP: §482.41 **Tag:** A-0700 **Deficiency:** Compliant

Corresponds to: HAP

Text: §482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

CoP Standard	Tag	Corresponds to	Deficiency
§482.41(b)(1)(i)	A-0710	HAP - LS.02.01.20/EP1, EP31	Compliant

Southern Tennessee Medical Center, LLC
185 Hospital Road
Winchester, TN 37398

Organization Identification Number: 3796

Program(s)
Hospital Accreditation

Survey Date(s)
01/29/2013-02/01/2013

Executive Summary

Hospital Accreditation : As a result of the accreditation activity conducted on the above date(s), Requirements for Improvement have been identified in your report.

You will have follow-up in the area(s) indicated below:

- Evidence of Standards Compliance (ESC)

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

The Joint Commission Summary of Findings

Evidence of DIRECT Impact Standards Compliance is due within 45 days from the day this report is posted to your organization's extranet site:

Program:	Hospital Accreditation Program	
Standards:	LS.02.01.20	EP1,EP31
	MM.01.02.01	EP2
	PC.01.02.07	EP3
	PC.03.01.03	EP1
	PC.04.01.05	EP8
	RC.02.01.01	EP4

Evidence of INDIRECT Impact Standards Compliance is due within 60 days from the day this report is posted to your organization's extranet site:

Program:	Hospital Accreditation Program	
Standards:	EC.02.03.05	EP10
	EC.02.06.01	EP1
	EM.03.01.03	EP1
	NPSG.02.03.01	EP3
	PC.01.03.01	EP5
	RC.01.01.01	EP19
	RC.02.01.07	EP2

The Joint Commission Summary of CMS Findings

CoP: §482.24 **Tag:** A-0431 **Deficiency:** Standard

Corresponds to: HAP

Text: §482.24 Condition of Participation: Medical Record Services

The hospital must have a medical record service that has administrative responsibility for medical records. A medical record must be maintained for every individual evaluated or treated in the hospital.

CoP Standard	Tag	Corresponds to	Deficiency
§482.24(c)(1)	A-0450	HAP - RC.01.01.01/EP19	Standard
§482.24(c)(2)	A-0450	HAP - RC.01.01.01/EP19	Standard

CoP: §482.41 **Tag:** A-0700 **Deficiency:** Standard

Corresponds to: HAP

Text: §482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

CoP Standard	Tag	Corresponds to	Deficiency
§482.41(a)	A-0701	HAP - EM.03.01.03/EP1	Standard
§482.41(b)(1)(i)	A-0710	HAP - LS.02.01.20/EP1, EP31	Standard
§482.41(c)(2)	A-0724	HAP - EC.02.06.01/EP1	Standard

The Joint Commission Findings

Chapter: Emergency Management
Program: Hospital Accreditation
Standard: EM.03.01.03 ESC 60 days
Standard Text: The hospital evaluates the effectiveness of its Emergency Operations Plan.
Primary Priority Focus Area: Quality Improvement Expertise/Activities
Element(s) of Performance:

1. As an emergency response exercise, the hospital activates its Emergency Operations Plan twice a year at each site included in the plan.

Note 1: If the hospital activates its Emergency Operations Plan in response to one or more actual emergencies, these emergencies can serve in place of emergency response exercises.

Note 2: Staff in freestanding buildings classified as a business occupancy (as defined by the Life Safety Code *) that do not offer emergency services nor are community designated as disaster-receiving stations need to conduct only one emergency management exercise annually.

Note 3: Tabletop sessions, though useful, are not acceptable substitutes for these exercises.

Note 4: In order to satisfy the twice-a-year requirement, the hospital must first evaluate the performance of the previous exercise and make any needed modifications to its Emergency Operations Plan before conducting the subsequent exercise in accordance with EPs 13-17.

Footnote *: The Life Safety Code® is a registered trademark of the National Fire Protection Association, Quincy, MA. Refer to NFPA 101-2000 for occupancy classifications.

Scoring

Category : A
Score : Insufficient Compliance

Observation(s):

EP 1

§482.41(a) - (A-0701) - §482.41(a) Standard: Buildings

The condition of the physical plant and the overall hospital environment must be developed and maintained in such a manner that the safety and well-being of patients are assured.

This Standard is NOT MET as evidenced by:

Observed in Emergency Management Session at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

The hospital activated its Emergency Operations Plan one time last year at each site included in the plan. Other exercises conducted did not include activation of the Emergency Operations Plan. The twice-a-year requirement was not met.

Chapter: Environment of Care
Program: Hospital Accreditation
Standard: EC.02.03.05 ESC 60 days

The Joint Commission Findings

Standard Text:

The hospital maintains fire safety equipment and fire safety building features.
Note: This standard does not require hospitals to have the types of fire safety equipment and building features described below. However, if these types of equipment or features exist within the building, then the following maintenance, testing, and inspection requirements apply.

Primary Priority Focus Area: Communication

Element(s) of Performance:

10. For automatic sprinkler systems: Every quarter, the hospital inspects all fire department water supply connections. The completion dates of the inspections are documented.

Note: For additional guidance on performing tests, see NFPA 25, 1998 edition (Section 9-7.1).

**Scoring**

Category :

A

Score :

Insufficient Compliance

Observation(s):

EP 10

Observed in Document Review at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. The hospital had 2 fire department water supply connections. The vendor did not identify the locations of the connections. Without this information the individual connections could not be verified.

Chapter:

Environment of Care

Program:

Hospital Accreditation

Standard:

EC.02.06.01

ESC 60 days

Standard Text:

The hospital establishes and maintains a safe, functional environment.
Note: The environment is constructed, arranged, and maintained to foster patient safety, provide facilities for diagnosis and treatment, and provide for special services appropriate to the needs of the community.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

1. Interior spaces meet the needs of the patient population and are safe and suitable to the care, treatment, and services provided.

**Scoring**

Category :

C

Score :

Partial Compliance

Observation(s):

The Joint Commission Findings

EP 1

§482.41(c)(2) - (A-0724) - (2) Facilities, supplies, and equipment must be maintained to ensure an acceptable level of safety and quality.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

There were two unsecured E type O2 cylinders in the tank storage room. This was observed and then corrected at the time of survey.

Observed in Building Tour at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

The Senior Advantage Program Unit had individual bathrooms in each room. The door hardware and door hinges would have allowed a patient with suicidal ideation a way to use the door hardware or hinges as a means to tie off a sheet or other materials as a potential way to commit suicide by hanging.

Chapter: Life Safety

Program: Hospital Accreditation

Standard: LS.02.01.20

ESC 45 days

Standard Text: The hospital maintains the integrity of the means of egress.

Primary Priority Focus Area: Physical Environment

Element(s) of Performance:

1. Doors in a means of egress are unlocked in the direction of egress.
(For full text and any exceptions, refer to NFPA 101-2000: 18/19.2.2.2.4)



Scoring

Category : A
Score : Insufficient Compliance

31. Exit signs are visible when the path to the exit is not readily apparent. Signs are adequately lit and have letters that are 4 or more inches high (or 6 inches high if externally lit). (For full text and any exceptions, refer to NFPA 101-2000: 7.10.1.2, 7.10.5, 7.10.6.1, and 7.10.7.1)



Scoring

Category : C
Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 1

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

The main lobby sliding door had an operational thumb latch deadbolt on the door. This was observed and then corrected at the time of survey.

EP 31

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

The front exit door in Mechanical Room 1 did not have an exit sign on or near the door.

Observed in Building Tour at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

The rear exit door in Mechanical Room 1 did not have an exit sign on or near the door.

Observed in Building Tour at Southern Tennessee Medical Center, LLC (1260 University Avenue, Sewanee, TN) site for the Hospital deemed service.

There was not an exit sign on or near the door of the right exit leading out of the cafeteria.

Chapter: Medication Management

Program: Hospital Accreditation

Standard: MM.01.02.01

ESC 45 days

Standard Text: The hospital addresses the safe use of look-alike/sound-alike medications.

Primary Priority Focus Area: Patient Safety

The Joint Commission Findings

Element(s) of Performance:

2. The hospital takes action to prevent errors involving the interchange of the medications on its list of look-alike/sound-alike medications.



Scoring

Category : A

Score : Insufficient Compliance

Observation(s):

EP 2

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. Insulin multi dose vials are on the HCO's look – alike medication list, and are considered a high risk medication. On the Medical – Surgical Unit a medication refrigerator contained a variety of insulin vials, and the vials were all stored in the same box. This was not in keeping with hospital policies. The HCO is currently changing the types and storage of their insulin products. When this change is implemented the intent of this standard will be met.

Observed in Tracer Visit at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During a review of medications in the refrigerator in the ICU, there were four insulins in one bin without label segregation. The medications were Novolin 70/30, Novolog, Novolin R and Levemir. Once this was observed, it was immediately corrected, the medications were segregated and each area was labeled appropriately.

Chapter: National Patient Safety Goals

Program: Hospital Accreditation

Standard: NPSG.02.03.01

ESC 60 days

Standard Text: Report critical results of tests and diagnostic procedures on a timely basis.

Primary Priority Focus Area: Information Management

Element(s) of Performance:

3. Evaluate the timeliness of reporting the critical results of tests and diagnostic procedures.



Scoring

Category : A

Score : Insufficient Compliance

Observation(s):

EP 3

Observed in Staff Discussions at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. The Imaging Department has a list of critical studies and a second list of critical results. For critical studies the time frame measured is from when the study is ordered to when the LIP is made aware of the result, and the time frame measured for the critical results is from when the radiologist determined that there was a critical result until when the LIP is made aware of the result. A review of how the performance data is calculated by the HCO revealed that both the time frames for critical studies and the time frames for critical results are calculated together, so one could not determine if the HCO met the time frame it requires for the critical results. It was recommended that the critical study and critical result time frames be calculated separately so one can determine how long it took for critical finding to be reported to the LIP.

Chapter: Provision of Care, Treatment, and Services

Program: Hospital Accreditation

The Joint Commission Findings

Standard: PC.01.02.07

ESC 45 days

Standard Text: The hospital assesses and manages the patient's pain.

Primary Priority Focus Area: Assessment and Care/Services

Element(s) of Performance:

3. The hospital reassesses and responds to the patient's pain, based on its reassessment criteria.



Scoring

Category : C

Score : Insufficient Compliance

Observation(s):

EP 3

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. In a total joint replacement patient pain was reassessed at 16:00 after morning surgery. The pain was described as aching, and treated by ice and repositioning. There was no pain scale included in the assessment or documented pain reassessment within an hour. Both the use of a pain scale and reassessment within an hour are required by the HCO.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. In the same patient at approximately 20:00 pain was reassessed as aching and managed with ice and repositioning, however again a pain scale was not utilized and there was no documented reassessment within the time frame stipulated by the HCO.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During a tracer on the medical surgical unit, it was noted that the patient when the patient was in the emergency department, he was medicated with Morphine IV for pain in the right groin on 1/23 at 14:46. The patient was not reassessed until 17:06. Hospital policy required reassessment within one hour.

Chapter: Provision of Care, Treatment, and Services

Program: Hospital Accreditation

Standard: PC.01.03.01

ESC 60 days

Standard Text: The hospital plans the patient's care.

Primary Priority Focus Area: Information Management

Element(s) of Performance:

5. The written plan of care is based on the patient's goals and the time frames, settings, and services required to meet those goals.

Note: For psychiatric hospitals that use Joint Commission accreditation for deemed status purposes: The patient's goals include both short- and long-term goals.



Scoring

Category : A

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 5

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During a tracer of a patient with a diagnosis of pneumonia in the ICU, it was noted that the written plan of care did not include time frames to achieve the written goals.

Observed in Individual Tracer at Southern Tennessee Medical Center, LLC (1260 University Avenue, Sewanee, TN) site. During a tracer of a patient with DVT of his right leg, it was noted that the plan of care did not include time frames in relation to the goals.

Observed in Individual Tracer at Southern Tennessee Medical Center, LLC (1260 University Avenue, Sewanee, TN) site. During a tracer of a patient on the medical unit with the diagnosis of pneumonia and congestive heart failure, it was noted that the plan of care did not include time frames in relation to the goals.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During the review of the record of a newborn, it was noted that the plan of care did not include time frames in relation to the goals.

Chapter: Provision of Care, Treatment, and Services

Program: Hospital Accreditation

Standard: PC.03.01.03

ESC 45 days

Standard Text: The hospital provides the patient with care before initiating operative or other high-risk procedures, including those that require the administration of moderate or deep sedation or anesthesia.

Primary Priority Focus Area: Assessment and Care/Services

Element(s) of Performance:

1. Before operative or other high-risk procedures are initiated, or before moderate or deep sedation or anesthesia is administered: The hospital conducts a presedation or preanesthesia patient assessment. (See also RC.02.01.01, EP 2)



Scoring

Category : A

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 1

Observed in Record Review at Southern Tennessee Medical Center, LLC (1260 University Avenue, Sewanee, TN) site.

During the review of a closed record of a patient who received moderate IV procedural sedation in the emergency department, it was noted that there was no documentation of an ASA score. The procedure was in relation to a dislocation of the left elbow.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During the review of the record of an obstetric patient who had a vaginal delivery on 1/28 and a tubal ligation on 1/29, it was noted that there was no presedation evaluation documented prior to the IV procedural sedation in relation to the tubal ligation.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During the review of a record of an obstetrics patient who underwent a C-section delivery on 1/28, it was noted that the preanesthesia evaluation was incomplete. There was no documentation of the airway assessment/score. Hospital policy required scoring the the airway and ASA.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During the review of a record of a patient who received IV moderate sedation for a reduction of a dislocated shoulder in the ED, there was no documentation of a presedation evaluation. The hospital required ASA scoring and also airway assessment.

Chapter: Provision of Care, Treatment, and Services

Program: Hospital Accreditation

Standard: PC.04.01.05

ESC 45 days

Standard Text: Before the hospital discharges or transfers a patient, it informs and educates the patient about his or her follow-up care, treatment, and services.

Primary Priority Focus Area: Information Management

Element(s) of Performance:

8. The hospital provides written discharge instructions in a manner that the patient and/or the patient's family or caregiver can understand.
(See also RI.01.01.03, EP 1)



Scoring

Category : C

Score : Partial Compliance

Observation(s):

EP 8

Observed in Record Review at Southern Tennessee Medical Center, LLC (1260 University Avenue, Sewanee, TN) site.

During the review of a closed record of a patient who received IV procedural sedation in the ED on 1/13/13, there was no documentation that the patient received discharge instructions in relation to the IV sedation.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During the review of the record of a patient who received IV moderate sedation in the ED, there was no documentation that the patient received written instructions related to the IV sedation.

Chapter: Record of Care, Treatment, and Services

Program: Hospital Accreditation

The Joint Commission Findings

Standard: RC.01.01.01

ESC 60 days

Standard Text: The hospital maintains complete and accurate medical records for each individual patient.

Primary Priority Focus Area: Information Management

Element(s) of Performance:

19. For hospitals that use Joint Commission accreditation for deemed status purposes: All entries in the medical record, including all orders, are timed.



Scoring

Category : C
Score : Insufficient Compliance

Observation(s):

EP 19

§482.24(c)(1) - (A-0450) - (1) All patient medical record entries must be legible, complete, dated, timed, and authenticated in written or electronic form by the person responsible for providing or evaluating the service provided, consistent with hospital policies and procedures.

This Standard is NOT MET as evidenced by:

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

During a tracer of a cardiac patient, it was noted that the consent for MRI was not timed.

§482.24(c)(2) - (A-0450) - (2) All orders, including verbal orders, must be dated, timed, and authenticated promptly by the ordering practitioner or by another practitioner who is responsible for the care of the patient only if such a practitioner is acting in accordance with State law, including scope-of-practice laws, hospital policies, and medical staff bylaws, rules, and regulations.

This Standard is NOT MET as evidenced by:

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

During a tracer of a patient in the ICU, it was noted that physician orders on 1/25, 27 and 29 were not timed.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site for the Hospital deemed service.

During the review of the record of a newborn female born on 1/28, it was noted that the physical exam was not timed.

Chapter: Record of Care, Treatment, and Services

Program: Hospital Accreditation

Standard: RC.02.01.01

ESC 45 days

Standard Text: The medical record contains information that reflects the patient's care, treatment, and services.

Primary Priority Focus Area: Assessment and Care/Services

The Joint Commission Findings

Element(s) of Performance:

4. As needed to provide care, treatment, and services, the medical record contains the following additional information:

- Any advance directives (See also RI.01.05.01, EP 11)
- Any informed consent, when required by hospital policy (See also RI.01.03.01, EP 13)

Note: The properly executed informed consent is placed in the patient's medical record prior to surgery, except in emergencies. A properly executed informed consent contains documentation of a patient's mutual understanding of and agreement for care, treatment, and services through written signature; electronic signature; or, when a patient is unable to provide a signature, documentation of the verbal agreement by the patient or surrogate decision-maker.

- Any records of communication with the patient, such as telephone calls or e-mail
- Any patient-generated information



Scoring

Category : C

Score : Partial Compliance

Observation(s):

EP 4

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. During a visit to out patient surgery a chart was reviewed. The nurse caring for the patient said that the patient may be called several days after the procedure for followup, however the information obtained from the telephone call would not be entered into the patient's record.

Observed in Individual Tracer at Southern Tennessee Medical Center (185 Hospital Road, Winchester, TN) site. Discussion with out patient surgery nurses revealed that patients are often called within several days of discharge for follow-up, however information obtained from this phone call is not made part of the patient's record. The HCO is transitioning to an EMR and staff are developing an online form to capture this information and automatically incorporate it into the record..

Chapter: Record of Care, Treatment, and Services

Program: Hospital Accreditation

Standard: RC.02.01.07

ESC 60 days

Standard Text: The medical record contains a summary list for each patient who receives continuing ambulatory care services.

Primary Priority Focus Area: Information Management

The Joint Commission Findings

Element(s) of Performance:

2. The patient's summary list contains the following information:

- Any significant medical diagnoses and conditions
- Any significant operative and invasive procedures
- Any adverse or allergic drug reactions
- Any current medications, over-the-counter medications, and herbal preparations



Scoring

Category :

C

Score :

Insufficient Compliance

Observation(s):

EP 2

Observed in Individual Tracer at Southern Tennessee Medical Center, LLC (100 Bible Crossing Road, Decherd, TN) site.

During a tracer of a patient who received occupational therapy treatments in relation to a fracture of the right hand, it was noted that the summary list was incomplete. Some information was available on the patient history, but not all of the requirements of the summary list were present. The patient had more than three visits.

Observed in Individual Tracer at Southern Tennessee Medical Center, LLC (100 Bible Crossing Road, Decherd, TN) site.

During a tracer of a patient who received physical therapy treatments in relation to a total left knee replacement, it was noted that the summary list was incomplete. Some information was available on the patient history, but not all of the requirements of the summary list were present. The patient had more than three visits.

Observed in Individual Tracer at Southern Tennessee Medical Center, LLC (100 Bible Crossing Road, Decherd, TN) site.

During a tracer of a patient who received speech therapy in relation to a CVA, it was noted that the summary list was incomplete. The medication list was present. The patient had received many treatments, beginning 9/5/2012.

LEGAL NOTICES

PUBLICATION OF INTENT-HEALTH SERVICES & DEVELOPMENT AGENCY

NOTIFICATION OF INTENT
TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Southern Tennessee Medical Center (a hospital), owned and managed by Southern Tennessee Medical Center, LLC (a limited liability company), intends to file an application for a Certificate of Need to initiate mobile PET/CT (positive emission tomography) scanning services at its main hospital campus at 185 Hospital Road, Winchester, Tennessee 37398, at a project cost estimated at \$753,000. The PET/CT unit will provide service to patients one half-day every week.

Southern Tennessee Medical Center is a two-facility general hospital licensed by the Board for Licensing Health Care Facilities, Tennessee Department of Health, for 152 hospital beds (of which 131 are at its Winchester campus). The project will not change its licensed bed complement, or initiate or discontinue any type of health service other than PET/CT scanning. It will include no type of major medical equipment other than the mobile PET/CT unit.

The anticipated date of filing the application is on or before February 14, 2014. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

Upon written request by interested parties, a local Fact-Finding public hearing shall be conducted. Written requests for hearing should be sent to:

Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street | Nashville, TN 37243

Pursuant to TCA Sec. 68-11-1607(c)(1): (A) any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled, and (B) any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

LEGAL NOTICES

LEGAL NOTICES

including rights of redemption of any collateral agency, state or federal, and any and all prior deeds of trust, and all easements, encumbrances, defects, adverse claims and other matters that may take priority over the Deed of Trust upon which this foreclosure sale is conducted or are not extinguished by this Foreclosure Sale. This sale is also subject to any matter that an inspection and accurate survey of the property might disclose.

THIS IS AN ATTEMPT TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Sam J. McAllester III,
Substitute Trustee
ONE MCALLESTER NORTON PLLC
511 Union Street, Suite 1600
Nashville, Tennessee 37219
615-238-6314

MEETING NOTICE

The Chattanooga Historic Zoning Commission meeting will be held on Thursday, February 20, 2014, at 5:30 p.m. in conference room 1-A of the Development Resource Center, 1250 Market Street.

If you have any questions regarding this meeting, please call Angela Wallace at (423) 643-5878.

NOTICE OF TRUSTEE'S SALE

WHEREAS, by Deed of Trust dated March 24, 2006 and recorded on March 24, 2006, in Book 7884, Page 160, in the Register's Office of Hamilton County, Tennessee (the "Register's Office"), as modified by Modification of Deed of Trust recorded on October 1, 2007, in Book 8482, Page 977, and further modified by Modification of Deed of Trust recorded on December 20, 2012 in Book 9827, Page 969, all recorded in the Register's Office (collectively, as modified, amended and extended, the "Deed of Trust"), J. M. Inner Construction Co., Inc. (the "Borrower"), conveyed to Edward L. Morris, Trustee for the benefit of Cornerstone Community Bank, a Tennessee banking corporation ("Lender"), the property therein described (the "Property"), to secure payment of a Promissory Note dated March 24, 2006, in the original principal amount of Two Hundred Forty-Three Thousand Thirty and 1/100 Dollars (\$243,030.58), executed by the Borrower to the order of Lender, as amended and restated that certain Promissory Note dated December 5, 2012, in the amount of One Hundred Sixty-One Thousand Seven Hundred Ninety-Four and 34/100 Dollars (\$261,794.34) executed by Borrower in favor of Lender (collectively, as amended, extended, amended and restated, the "Note"). Lender remains the holder of the Note.

WHEREAS, Jeffrey W. Maddux, was appointed successor Substitute Trustee for the terms of the Appointment of Substitute Trustee executed by Lender January 6, 2014, and recorded on January 13, 2014, in Book 10138, Page 1, in the Register's Office, with all the rights, powers and privileges of the original Trustee named in the Deed of Trust.

WHEREAS, default having been made in the payment of the Promissory Note, which remains unpaid and secured by the Deed of Trust and in the performance of covenants contained in the Deed of Trust to which reference is made for recital of terms and conditions, and wherefore Lender, the lawful owner and holder of the Promissory Note and Deed of Trust, has declared an entire balance thereon due and payable.

NOW, THEREFORE, pursuant to authority vested in me as Substitute Trustee, I shall, at the request of the owner and holder of the Promissory Note, at 10:00 o'clock a.m. EST on March 3, 2014, offer for sale at public outcry to the highest and best bidder for cash, at the West door of the Hamilton County Courthouse, Chattanooga, Tennessee in bar of all statutory and common law equities of redemption, dower and homestead and all other rights and

PETS



Standard Poodle Puppies (rare reds)
AKC reg. Arriving mid Feb. shots/wormed, tails docked. \$900 404-644-4164

LIVESTOCK

Hogs, 250-300 pounds, six months old.
\$1 per pound. Call or text
423-255-2174 or 423-242-8850

FEED/SEED/PLANTS

HAY - \$5/square, \$30/round, in the barn, load any day. 706-462-2399.

HAY IN BARN - \$30 for 4 x 5 roll
Bobby 423-595-7555.

LEGAL NOTICES

NOTICE OF FORECLOSURE SALE
STATE OF TENNESSEE,
HAMILTON COUNTY

WHEREAS, Lisa Morris Casey and Steve Casey executed a Deed of Trust to Mortgage Electronic Registration System, Inc. as Mortgagee for Southern

LEGAL NOTICES

Tennessee, in Book GI 6966, Page 737, and the undersigned having been appointed Substitute Trustee by instrument recorded in Book GI 9905, Page 541, in the said Register's Office, and the owner of the debt secured, Bank of America, N.A., having requested the undersigned to advertise and sell the property described in and conveyed by said Deed of Trust, all of said indebtedness having matured by default in the payment of a part thereof, at the option of the owner, this is to give notice that the undersigned will, on Thursday, March 6, 2014 commencing at 01:00 PM, at the West Front Door of the Courthouse, Chattanooga, Hamilton County, Tennessee proceed to sell at public outcry to the highest and best bidder for cash, the following described property, to wit:

Situated in County of Hamilton, State of Tennessee.
Located in the Third Civil District of Hamilton County, Tennessee. Lot Four (4), Resubdivision of Lot 4, Smartt-Edmonson-Coker Tract, as shown by plat recorded in Plat Book 28, Page 68, in the Register's Office of Hamilton County, Tennessee. Tax Parcel ID: 117M-A-001
Property Address: 2400 Briggs Avenue, Chattanooga, TN.

Other Interested Parties: Homebuilders Association of Tennessee

All right and equity of redemption, homestead and dower waived in said Deed of Trust, and the title is believed to be good, but the undersigned will sell and convey only as Substitute Trustee.

ARNOLD M. WEISS,
Substitute Trustee

FEB 14 '14 AM 10:01

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

JOHN WELLBORN, being first duly sworn, says that he is the lawful agent of the applicant named in this application, that this project will be completed in accordance with the application to the best of the agent's knowledge, that the agent has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete to the best of the agent's knowledge.

John Wellborn
SIGNATURE/TITLE

Sworn to and subscribed before me this 13th day of February, 2014 a Notary
(Month) (Year)

Public in and for the County/State of Davidson County Tennessee



[Signature]
NOTARY PUBLIC

My commission expires November 5, 2014.
(Month/Day) (Year)



State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

March 3, 2014

John L. Wellborn, Consultant
Development Support Group
4219 Hillsboro Road, suite 210
Nashville, TN 37215

RE: Certificate of Need Application -- Southern Tennessee Medical Center - CN1402-005

Dear Mr. Wellborn:

This is to acknowledge the receipt of supplemental information to your application for a Certificate of Need for the initiation of mobile Positron Emission Tomography (PET) services one day every other week at the main hospital campus. Project cost is \$834,135.00.

Please be advised that your application is now considered to be complete by this office. Your application is being forwarded to the Tennessee Department of Health and/or its representative for review.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on March 1, 2014. The first sixty (60) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the sixty (60) day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on May 28, 2014.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,



Melanie M. Hill
Executive Director

MMH:mab

cc: Trent Sansing, CON Director, Division of Health Statistics



State of Tennessee


Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

MEMORANDUM

TO: Trent Sansing, CON Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Andrew Johnson Tower, 2nd Floor
710 James Robertson Parkway
Nashville, Tennessee 37243

FROM: 
Melanie M. Hill
Executive Director

DATE: March 3, 2014

RE: Certificate of Need Application
Southern Tennessee Medical Center - CN1402-005

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on March 1, 2014 and end on May 1, 2014.

Should there be any questions regarding this application or the review cycle, please contact this office.

MMH:mab

Enclosure

cc: John L. Wellborn, Consultant

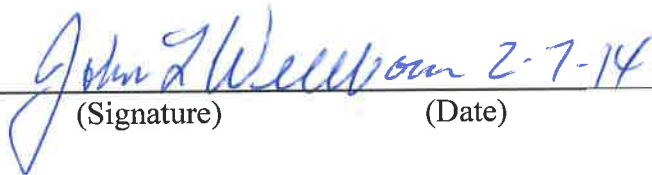
LETTER OF INTENT -- HEALTH SERVICES & DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Chattanooga Times-Free Press, which is a newspaper of general circulation in Franklin County, Tennessee, on or before February 10, 2014, for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. Sections 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that Southern Tennessee Medical Center (a hospital), owned and managed by Southern Tennessee Medical Center, LLC (a limited liability company), intends to file an application for a Certificate of Need to initiate mobile PET/CT (positive emission tomography) scanning services at its main hospital campus at 185 Hospital Road, Winchester, Tennessee 37398, at a project cost estimated at \$835,000. The PET/CT unit will provide service to patients one half-day every week.

Southern Tennessee Medical Center is a two-facility general hospital licensed by the Board for Licensing Health Care Facilities, Tennessee Department of Health, for 152 hospital beds (of which 131 are at its Winchester campus. The project will not change its licensed bed complement, or initiate or discontinue any type of health service other than PET/CT scanning. It will include no type of major medical equipment other than the mobile PET/CT unit.

The anticipated date of filing the application is on or before February 14, 2014. The contact person for the project is John Wellborn, who may be reached at Development Support Group, 4219 Hillsboro Road, Suite 210, Nashville, TN 37215; (615) 665-2022.

 2-7-14

(Signature)

(Date)

jwdsg@comcast.net
(E-mail Address)

**Copy Additional
Info.-
SUPPLEMENTAL-1**

Southern Tennessee Med. Ctr.

CN1402-005

FEB 27 12:44:15

February 27, 2014

Phillip M. Earhart, HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application CN1402-005
Southern Tennessee Medical Center--Mobile PET Service

Dear Mr. Earhart:

This letter is to correct the table sent to you yesterday in response to question 5d, in the first supplemental response. The hospital mistakenly transposed the oncology and "other" data. Below is the corrected response and table.


5d. Please complete the following table which indicates the projected number of patients served in Year One and Year Two by specialty:

Specialty	Year One	Year Two
Cardiology	0	0
Oncology	73	77
Neurology	65	80
Other	12	18
Total	150	175

Source: Hospital management and Radiologist.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please FAX or telephone me so that we can respond in time to be deemed complete.

Respectfully,


John Wellborn
Consultant

AFFIDAVIT

SUPPLEMENTAL

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: SOUTHERN TN MSD CENTRAL - PET/CT ^{MOBILE}

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

John Wellborn
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 27 day of FEB, 2014, witness my hand at office in the County of Davidson, State of Tennessee.

[Signature]
NOTARY PUBLIC

My commission expires November 5, 2014.

HF-0043

Revised 7/02





State of Tennessee
Health Services and Development Agency
Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364/Fax:615/532-9940

February 21, 2014

John Wellborn
Development Support Group
4219 Hillsboro Road, Suite #210
Nashville, Tennessee 37215

RE: Certificate of Need Application CN1402-005
Southern Tennessee Medical Center

Dear Mr. Wellborn:

This will acknowledge our February 14, 2014 receipt of your application for a Certificate of Need for the initiation of mobile Positron Emission Tomography (PET) services one day every other week at the main hospital campus, 185 Hospital Road, Winchester (Franklin County), Tennessee, 37398.

Several items were found which need clarification or additional discussion. Please review the list of questions below and address them as indicated. The questions have been keyed to the application form for your convenience. I should emphasize that an application cannot be deemed complete and the review cycle begun until all questions have been answered and furnished to this office.

Please submit responses in triplicate by 12:00 noon, Wednesday March 26, 2014. If the supplemental information requested in this letter is not submitted by or before this time, then consideration of this application may be delayed into a later review cycle.

1. Section A, Applicant Profile, Item 4

Please provide documentation from the Tennessee Secretary of State that Southern Tennessee Medical is an active Limited Liability Company.

2. Section B, Project Description, Item 6

The applicant has provided a warranty deed between Methodist Hospital of Middle Tennessee and Stones River Hospital, Inc. Please provide documentation the applicant has ownership of 185 Hospital Road, Winchester (Franklin County), Tennessee, 37398.

3. Section B, Project Description, Item 6

Please clarify why there are ten (10) licensed beds assigned to the ICU/CCU category in the bed complement data chart, but are not included in the "staffed beds" and "total beds at completion" column count.

In the "total beds at completion" column it appears there is an error for the total of hospital beds. Please clarify.

4. Section B, Project Description, Item I

The applicant states STMC is a federally-designated disproportionate share provider. Please define what a federally-designated disproportionate share provider is and the benefits of being designated as one.

On page 6 the applicant notes the service will be under the direction of Raymond Capps, MD, while on page 27 it is noted the Medical Director will be John Allred, MD. Please clarify.

Please provide board certification documentation of neurology and radiology for Raymond Capps, MD.

In the application Southern Tennessee Medical Center, CN0212-124A, PET scans were projected at 108 scans in Year One, and 119 scans in Year Two. The HSDA Medical Equipment Registry indicates STMC provided 41 PET scans in 2005 and 38 in 2006. If STMC could not reach the projected PET scans in Year One and Year Two in the previous application, what has changed that it will meet 100 PET scans in Year One, and 175 PET scan in Year Two of this proposed project? Please discuss.

Please provide a list of active STMC medical staff including board certifications.

The applicant states "if for some reason no patients need to be scanned on a scheduled day of mobile service, then with notice on the day before service, the unit will not come to the hospital and no costs will be incurred". Please clarify what costs the hospital will incur (other than unused FDG) if a patient does not give notice and is a no-show, and the PET scanner comes to the hospital to deliver a service.

5. Section B, Item II. C

Table four on page 17 indicates there will be eight monthly PET referrals from four (4) physicians from Crockett Hospital and one (1) monthly referral from a physician from Hillside Hospital. This represents 33% of the applicant's

estimated monthly referrals which will come outside of the primary service area. Please clarify why Lawrence and Fayette counties are not in the primary service area. What is the distance between the applicant and Crockett Hospital?

Please provide letters from cardiologists stating the estimated monthly PET referrals to STMC.

Please verify what FP/IM stands for Family Practice/Internal Medicine.

Please complete the following table which indicates the projected number of patients served in Year One and Year Two by specialty:

Specialty	Year One	Year Two
Cardiology		
Oncology		
Neurology		
Other		
Total	150	175

6. Section B, Item II. E

The applicant states the proposed PET/CT scanner was manufactured in 2006 and the life of the equipment is 5 years. Please clarify the end date of the life of the equipment.

The proposed unit will serve Williamson Medical Center in Franklin on Mondays, and is proposed to serve STMC in Winchester on Monday afternoons. What are the current hours of the mobile PET/CT scanner at Williamson Medical Center on Monday mornings, and the proposed hours for STMC on Monday afternoon? In addition, what is the distance between STMC and Williamson Medical Center?

The Mobile PET/CT Imaging Services Agreement dated June 18, 2013 between LifePoint Hospitals, Inc. and Alliance HealthCare services, Inc. is noted. Please clarify how the proposed mobile PET/CT unit will be amended to the existing mobile PET/CT Imaging Services Agreement.

7. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 1

The applicant refers to CPT codes in Section C (II) 6B. Please indicate where this is located in the application.

8. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 4

Please list referral agreements the applicant has with providers that offer as a minimum cancer treatment services, including radiation, medical and surgical oncology services.

9. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 6.B

Please provide documentation from the vendor the mobile PET scanner complies with all applicable Federal standards, manufacturer's specifications, and licensing requirements.

10. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 6.B

It is noted all hospitals have long-established protocols for dealing with emergencies. Since this is a new service, how will the applicant handle emergencies specific to the mobile PET/CT?

11. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 6.B

Please provide protocols that assure that all clinical PET procedures performed are medically necessary and will not unnecessarily duplicate other services.

12. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 8.a

Please provide a brief summary of medically underserved areas in Franklin and Grundy counties. In addition, the referred attachment could not be located. Please provide.

13. Section C, Economic Feasibility, Item 4

Please clarify why management fees are designated as "fees to non-affiliates" in the Historical Data Chart, but are designated as "fees to affiliates" in the Projected Data Chart.

14. Section C, Economic Feasibility, Item 5.

Table Ten is noted. However, it appears the average gross charge per procedure is calculated incorrectly for Year One and Year Two. Please revise.

15. Section C, Economic Feasibility, Item 6.B.

Please compares the gross charges per PET procedure/Treatment to gross charges provided by HSDA at the following web-site:
http://tennessee.gov/hsda/applicants_tools/docs/quartile-med%20equip.pdf

16. Section C, Economic Feasibility, Item 10.

Please indicate if the provided financial documents are audited.

17. Section C, Orderly Development, Item 1.

Please list hospitals the applicant has transfer agreements with.

18. Section C, Orderly Development, Item 7 (b.)

Please indicate if the applicant will seek accreditation by the Intersocietal Accreditation Commission (IAC).

19. Section C, Orderly Development, Item 7 (d.)

The latest licensure inspection on August 27-29 2012 at 629 Hospital Road, Winchester, TN is noted. However, please provide a copy of the latest licensure survey for Southern Tennessee Medical Center located at 185 Hospital Road, Winchester, TN 37398.

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void." **For this application, the sixtieth (60th) day after written notification is April 22, 2014. If this application is not deemed complete by this date, the application will be deemed void.** Agency Rule 0720-10-.03(4)(d)(2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Resubmittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

If all supplemental information is not received and the application officially deemed complete prior to the beginning of the next review cycle, then consideration of the application could be delayed into a later review cycle. The review cycle for each application shall begin on the first day of the month after the application has been deemed complete by the staff of the Health Services and Development Agency.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have any questions or require additional information, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in dark ink, appearing to read "Phillip M. Earhart", written in a cursive style.

Phillip M. Earhart
Health Services Development Examiner

PME

Enclosure

ORIGINAL- SUPPLEMENTAL-1

Southern Tennessee Med. Ctr.

CN1402-005

February 25, 2014

Phillip M. Earhart, HSD Examiner
Tennessee Health Services and Development Agency
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: CON Application CN1402-005
Southern Tennessee Medical Center--Mobile PET Service

Dear Mr. Earhart:

This letter responds to your recent request for additional information on this application. The items below are numbered to correspond to your questions. They are provided in triplicate, with affidavit.

1. Section A, Applicant Profile, Item 4

Please provide documentation from the Tennessee Secretary of State that Southern Tennessee Medical is an active Limited Liability Company.

It is active. Documentation is attached following this page.

2. Section B, Project Description, Item 6

The applicant has provided a warranty deed between Methodist Hospital of Middle Tennessee and Stones River Hospital, Inc. Please provide documentation the applicant has ownership of 185 Hospital Road, Winchester (Franklin County), Tennessee, 37398.

Please see the fourth page in Attachment A.4, entitled "Corporate Ownership Changes and Name Changes in the Following Documents".

As it explains, Southern Tennessee Medical Center, LLC acquired the assets of Stones River Hospital, Inc. in December 1998. One of those assets was the Methodist hospital on 185 Hospital Road, which had been acquired by Stones River Hospital, Inc. from Methodist Hospital of Middle Tennessee on May 28, 1993. The acquisition was by means of the referenced warranty deed in Attachment A6. The deed lists the 185 Hospital Road tract on its last page.

SUPPLEMENTAL- # 1

February 26, 2014

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Business Information Search

As of February 24, 2014 we have processed all corporate filings received in our office through February 20, 2014 and all annual reports received in our office through February 20, 2014.

Click on the underlined control number of the entity in the search results list to proceed to the detail page. From the detail page you can verify the entity displayed is correct (review addresses and business details) and select from the available entity actions - file an annual report, obtain a certificate of existence, file an amendment, etc.

Search:						1-1 of 1	
Search Name: <input type="text" value="Southern Tennessee Medical Center, LLC"/>						<input checked="" type="radio"/> Starts With <input type="radio"/> Contains	
Control #: <input type="text"/>							
Active Entities Only: <input type="checkbox"/>						<input type="button" value="Search"/>	
Control #	Entity Type	Name	Name Type	Name Status	Entity Filing Date	Entity Status	
<u>000363450</u>	LLC	SOUTHERN TENNESSEE MEDICAL CENTER, LLC DELAWARE	Entity	Active	01/05/1999	Active	
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3. Section B, Project Description, Item 6

Please clarify why there are ten (10) licensed beds assigned to the ICU/CCU category in the bed complement data chart, but are not included in the “staffed beds” and “total beds at completion” column count.

In the “total beds at completion” column it appears there is an error for the total of hospital beds. Please clarify.

All errors in the bed counts have been corrected in revised page 3a-R, attached following this page.

4. Section B, Project Description, Item I

a. The applicant states STMC is a federally-designated disproportionate share provider. Please define what a federally-designated disproportionate share provider is and the benefits of being designated as one.

STMC is designated as a disproportionate share provider by meeting a number of criteria (see fact sheet attached after this page) and thus qualifying for an increased Medicare inpatient DRG reimbursement. The primary method of qualifying is to have a Medicaid utilization high enough that, when combined with the hospital's SSI%, and divided by total acute days, the hospital meets a prescribed federal threshold. The benefit is financial: the hospital receives slightly more reimbursement for its Medicare patients than the normal DRG reimbursement provides.

b. On page 6 the applicant notes the service will be under the direction of Raymond Capps, MD, while on page 27 it is noted the Medical Director will be John Allred, MD. Please clarify.

Please excuse the error on page 6. Following this page is a revised page 6R affirming that the Medical Director will be Dr. Allred as stated on page 27.

c. Please provide board certification documentation of neurology and radiology for Raymond Capps, MD.

Dr. Allred's submitted CV included documentation of Board certification in Radiology and subcertification in Neuroradiology.

9. Bed Complement Data (Southern TN Medical Center @ Winchester)

(Please indicate current and proposed distribution and certification of facility beds.)

	Current Licensed Beds	CON approvd. beds (not in service)	Staffed Beds	Beds Proposed (Change)	TOTAL Beds at Completion
A. Medical					
B. Surgical	84		54	NC	84
C. Long Term Care Hosp.					
D. Obstetrical	13		12	NC	13
E. ICU/CCU	10		10	NC	10
F. Neonatal					
G. Pediatric					
H. Adult Psychiatric					
I. Geriatric Psychiatric	12		12	NC	12
J. Child/Adolesc. Psych.					
K. Rehabilitation	12		12	NC	12
L. Nursing Facility (non-Medicaid certified)					
M. Nursing Facility Lev. 1 (Medicaid only)					
N. Nursing Facility Lev. 2 (Medicare only)					
O Nursing Facility Lev. 2 (dually certified for Medicare & Medicaid)	26		26	NC	26
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child/Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL	131 Hosp	NA	100 Hosp	NC	131 Hosp
	26 SNF		26 SNF		26 SNF

10. Medicare Provider Number:	44-058
Certification Type:	acute care hospital
11. Medicaid Provider Number:	044-0058
Certification Type:	acute care hospital

Note: Licensed Beds here are part of consolidated 152-bed license at both locations.

FACT
SHEET

Medicare Disproportionate Share Hospital



SECTION 9105 OF THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1985 (Public Law 99-272) amended Section 1886(d)(5) of the Social Security Act (the Act) to add new subparagraph (F), known as the Medicare Disproportionate Share Hospital (DSH) adjustment provision, which became effective for discharges occurring on or after May 1, 1986.

Methods to Qualify for Medicare Disproportionate Share Hospital Adjustment

A hospital can qualify for the Medicare DSH adjustment by using one of the following two methods:

■ Primary Method

The primary method for qualifying for the Medicare DSH adjustment pertains to hospitals that serve a significantly disproportionate number of low-income patients and is based on the disproportionate patient percentage (DPP), which is equal to the sum of the percentage of Medicare inpatient days (including Medicare Advantage inpatient days) attributable to patients entitled to both Medicare Part A and Supplemental Security Income (SSI) and the percentage of total patient days attributable to patients eligible for Medicaid but not eligible for Medicare Part A. If a hospital's DPP equals or exceeds a specified threshold amount, the hospital qualifies for the Medicare DSH adjustment. The Medicare DSH adjustment



is determined by using a complex formula (the applicable formula is also based on a hospital's particular DPP).

■ Alternate Special Exemption Method

The alternate special exemption method for qualifying for the Medicare DSH adjustment applies to hospitals that are located in an urban area, have 100 or more beds, and can demonstrate that more than 30 percent of their total net inpatient care revenues come from State and local government sources for indigent care (other than Medicare or Medicaid). These hospitals are also known as

MEDICARE DISPROPORTIONATE PATIENT PERCENTAGE

Disproportionate
Patient
Percentage

Medicare/SSI Days

Medicaid, Non-Medicare Days

+

Total Medicare Days

Total Patient Days

"Pickle" hospitals as defined under Section 1886(d)(5)(F)(i)(II) of the Act. If a hospital qualifies under this method, the statute provides for a specific Medicare DSH adjustment.

Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and Deficit Reduction Act of 2005 Provisions that Impact Medicare Disproportionate Share Hospitals

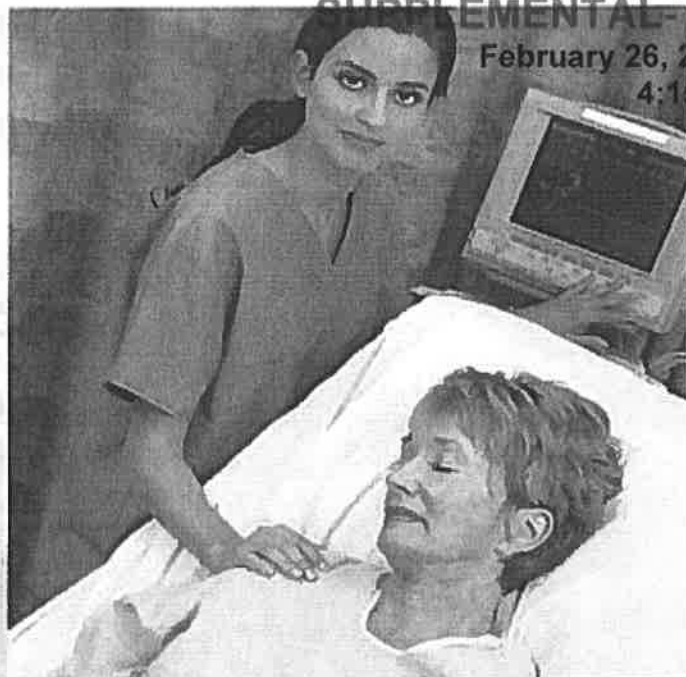
Section 402 of the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 further amended Section 1886(d)(5)(F) of the Act so that for discharges occurring on or after April 1, 2004, regarding hospitals under the primary qualifying method, the Medicare DSH payment adjustment percentage formulas for large, urban hospitals apply to additional types of hospitals (e.g., thereby increasing the DSH payment adjustment percentage for hospitals such as rural hospitals with fewer than 500 beds and urban hospitals with fewer than 100 beds). In addition, Section 402 of the MMA imposed a 12 percent cap on the DSH payment adjustment for certain hospitals (exempted from the cap are hospitals classified as Rural Referral Centers [RRC], urban hospitals with 100 or more beds, and hospitals located in rural areas with 500 or more beds). Per Section 5003 of the Deficit Reduction Act of 2005, as of October 1, 2006, Medicare Dependent Hospitals (MDH) are also exempt from the cap. Under the primary qualifying method, the formulas to establish a hospital's Medicare DSH payment adjustment percentage are based on certain hospital-specific information including its:

- Geographic designation (i.e., urban or rural);
- Number of beds; and
- Status as a RRC or MDH.

Number of Beds in Hospital Determination

Under the *Code of Federal Regulations (CFR)* at 42 CFR Section 412.106(a)(1)(i), the number of beds in a hospital is determined, in accordance with 42 CFR Section 412.105(b) by dividing the number of available bed days during the cost reporting period by the number of days in the cost reporting period.

In addition, for purposes of Medicare DSH, the number of patient days in a hospital includes only those days attributable to units or wards of the hospital furnishing acute care services generally payable under the Inpatient



Prospective Payment System (IPPS) and excludes patient days associated with:

- Beds in excluded distinct part hospital units;
- Beds counted as outpatient observation, skilled nursing swing bed, or ancillary labor/delivery services;
- Beds in units or wards that are not occupied to furnish a level of care under the acute care hospital IPPS at any time during the three preceding months; and
- Beds in units or wards that are otherwise occupied that could not be made available for inpatient occupancy within 24 hours for 30 consecutive days.

Medicare Disproportionate Share Hospital Payment Adjustment Formulas

Under Section 1886(d)(5)(F) of the Act, additional Medicare DSH payments are made under the IPPS to acute hospitals that serve a large number of low-income patients or to hospitals that qualify as "Pickle" hospitals. The disproportionate share adjustment percentage for a "Pickle" hospital is equal to 35 percent. The adjustment formulas under the primary qualifying method are not applicable to "Pickle" hospitals. Under the primary qualifying method, a PPS hospital is eligible to receive Medicare DSH payments when its DPP meets or exceeds 15 percent. The chart on page 3 depicts Medicare DSH payment adjustment formulas for hospitals qualifying under the primary method.

MEDICARE DISPROPORTIONATE SHARE HOSPITAL PAYMENT
ADJUSTMENT FORMULAS—PRIMARY QUALIFYING METHOD

February 26, 2014
 4:15pm

Status/Location Number of Beds	Threshold	Adjustment Formula
URBAN HOSPITALS 0 - 99 Beds	$\geq 15\%, \leq 20.2\%$	$2.5\% + [.65 \times (\text{DPP} - 15\%)]$ Not to Exceed 12%
	$\geq 20.2\%$	$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$ Not to Exceed 12%
100 or more Beds	$\geq 15\%, \leq 20.2\%$	$2.5\% + [.65 \times (\text{DPP} - 15\%)]$ No Cap
	$\geq 20.2\%$	$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$ No Cap
RURAL REFERRAL CENTERS	$\geq 15\%, \leq 20.2\%$	$2.5\% + [.65 \times (\text{DPP} - 15\%)]$ No Cap
	$\geq 20.2\%$	$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$ No Cap
MEDICARE-DEPENDENT HOSPITALS	$\geq 15\%, \leq 20.2\%$	$2.5\% + [.65 \times (\text{DPP} - 15\%)]$ No Cap
	$\geq 20.2\%$	$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$ No Cap
OTHER RURAL HOSPITALS 0 - 499 Beds	$\geq 15\%, \leq 20.2\%$	$2.5\% + [.65 \times (\text{DPP} - 15\%)]$ Not to Exceed 12%
	$\geq 20.2\%$	$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$ Not to Exceed 12%
500 or more Beds	$\geq 15\%, \leq 20.2\%$	$2.5\% + [.65 \times (\text{DPP} - 15\%)]$ No Cap
	$\geq 20.2\%$	$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$ No Cap

Below is an example of a Medicare DPP calculation and the corresponding payment adjustment calculation under the primary qualifying method:

Hospital A has 62 beds and is located in an urban area.

In fiscal year 2003, it had 5,000 total patient days, 1,000 Medicaid/non-Medicare days, 2,000 Medicare days, and 300 Medicare Part A/SSI days. Hospital A's Medicare DPP is 35 percent.

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MEDICARE DISPROPORTIONATE PATIENT PERCENTAGE

Disproportionate Patient Percentage	300		1,000		
	Medicare/SSI Days		Medicaid, Non-Medicare Days		
	2,000	+	5,000	=	.35
	Total Medicare Days		Total Patient Days		

Because Hospital A is located in an urban area, has less than 100 beds, and has a DPP of more than 20.2 percent, the formula for determining the Medicare DSH adjustment is:

$$5.88\% + [.825 \times (\text{DPP} - 20.2\%)]$$

$$5.88\% + [.825 \times (35\% - 20.2\%)]$$

$$5.88\% + 12.21\% = 18.09\%$$

Urban hospitals with less than 100 beds are subject to a maximum DSH adjustment of 12 percent. Hospital A's

Medicare DSH adjustment is 12 percent.

To find additional information about Medicare DSHs, see Chapter 3 of the Medicare Claims Processing Manual (Pub. 100-4) at <http://www.cms.hhs.gov/Manuals> on the Centers for Medicare & Medicaid Services website. Additional information about the number of beds in a hospital can be found in the CFR at <http://www.gpoaccess.gov/cfr/index.html> on the Web.

HELPFUL WEBSITES

American Hospital Association Section for Small or Rural Hospitals

http://www.aha.org/aha/key_issues/rural/index.html

Critical Access Hospital Center

<http://www.cms.hhs.gov/center/cah.asp>

Federally Qualified Health Centers Center

<http://www.cms.hhs.gov/center/fqhc.asp>

Health Resources and Services Administration

<http://www.hrsa.gov>

Hospital Center

<http://www.cms.hhs.gov/center/hospital.asp>

HPSA/PSA (Physician Bonuses)

http://www.cms.hhs.gov/hpsapsaphysicianbonuses/01_overview.asp

Medicare Learning Network

<http://www.cms.hhs.gov/MLNGenInfo>

National Association of Community Health Centers

<http://www.nachc.org>

National Association of Rural Health Clinics

<http://www.narhc.org>

National Rural Health Association

<http://www.nrharural.org>

Rural Health Center

<http://www.cms.hhs.gov/center/rural.asp>

Rural Assistance Center

<http://www.raconline.org>

Telehealth

<http://www.cms.hhs.gov/Telehealth>

U.S. Census Bureau

<http://www.Census.gov>

REGIONAL OFFICE RURAL HEALTH COORDINATORS

Below is a list of contact information for CMS Regional Office Rural Health Coordinators who provide technical, policy, and operational assistance on rural health issues.

REGION I – BOSTON

Rick Hoover

E-mail: richard.hoover@cms.hhs.gov

Telephone: (617) 565-1258

States: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont

REGION II – NEW YORK

Miechal Lefkowitz

E-mail: miechal.lefkowitz@cms.hhs.gov

Telephone: (212) 616-2517

States: New Jersey, New York, Puerto Rico, and Virgin Islands

REGION III – PHILADELPHIA

Patrick Hamilton

E-mail: patrick.hamilton@cms.hhs.gov

Telephone: (215) 861-4097

States: Delaware, Maryland, Pennsylvania, Virginia, West Virginia, and Washington DC

REGION IV – ATLANTA

Lana Dennis

E-mail: lane.dennis@cms.hhs.gov

Telephone: (404) 562-7379

States: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee

REGION V – CHICAGO

Christine Davidson

E-mail: christine.davidson@cms.hhs.gov

Telephone: (312) 886-3642

States: Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin

REGION VI – DALLAS

Becky Peal-Sconce

E-mail: becky.pealsconce@cms.hhs.gov

Telephone: (214) 767-6444

States: Arkansas, Louisiana, New Mexico, Oklahoma, and Texas

REGION VII – KANSAS CITY

Robert Epps

E-mail: robert.epps@cms.hhs.gov

Telephone: (816) 426-6538

States: Iowa, Kansas, Missouri, and Nebraska

REGION VIII – DENVER

Lyla Nichols

E-mail: lyla.nichols@cms.hhs.gov

Telephone: (303) 844-6218

States: Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming

REGION IX – SAN FRANCISCO

Neal Logue

E-mail: neal.logue@cms.hhs.gov

Telephone: (415) 744-3551

States: Arizona, California, Hawaii, Nevada, Guam, Commonwealth of the Northern Mariana Islands, and American Samoa

REGION X – SEATTLE

Alma Hardy

E-mail: alma.hardy@cms.hhs.gov

Telephone: (206) 615-2387

States: Alaska, Idaho, Oregon, and Washington

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The Medicare Learning Network (MLN) is the brand name for official CMS educational products and information for Medicare fee-for-service providers. For additional information visit the Medicare Learning Network's web page at <http://www.cms.hhs.gov/MLNGenInfo> on the CMS website.

April 2009 ICN 006741

Need

- PET/CT is an important outpatient clinical test utilized by several medical specialties.
- Mobile PET/CT was once approved for this hospital, and was offered until medical staff changes in 2006-2007 lowered utilization and the vendor suspended the service. Now there is no fixed or mobile PET service now located in the service area.
- Almost 500 patients each year are leaving the four primary and secondary service area counties to obtain PET tests.
- STMC physicians estimate referring 216 patients annually to a mobile unit at STMC that is available weekly and offers expert local interpretation for speed of diagnosis. The combined medical staffs of the four hospitals in STMC's Regional Health System estimate 324 patient referrals to this unit annually.
- The applicant very conservatively projects an annual retention rate of at least 175 PET/CT procedures by Year Two. That projection exceeds the State Health Plan CON criterion of 160 procedures annually for service operated 26 days per year.
- Restoring on-site availability of this service will significantly increase its accessibility for local patients needing to obtain PET/CT examinations close to home.

Existing Resources

- There are no PET/CT services located in the two-county primary service area. There are a mobile and a fixed PET/CT service at two hospitals in the secondary service area (at Manchester and Tullahoma in Coffee County).

Project Cost, Funding, Financial Feasibility, Staffing

- After the CON process, re-starting this service will be financially risk-free. It requires no capital expenditure for property, plant, or equipment. The hospital's mobile services pad has all the utilities in place needed to resume this service. (The CON project cost is \$753,000 only because HSDA rules require it to include fees paid to the vendor during the term of the contract, as well as the market value of the vendor's mobile unit).
- The project is financially feasible. The mobile service vendor will be compensated by the applicant at a fixed fee per procedure, with no minimum volume requirement. The proposed service will have a positive financial margin. The hospital's gross charges for PET/CT scans will be highly competitive compared to those of providers who are currently serving patients from STMC's service area.
- The vendor will provide the one certified PET/CT tech needed to assist in the procedure. The service will be under the medical direction of John Allred, M.D., the hospital's radiologist, who is double Board-certified in Neurology and Radiology.

Page Three
February 25, 2014

d. In the application Southern Tennessee Medical Center, CN0212-124A, PET scans were projected at 108 scans in Year One, and 119 scans in Year Two. The HSDA Medical Equipment Registry indicates STMC provided 41 PET scans in 2005 and 38 in 2006. If STMC could not reach the projected PET scans in Year One and Year Two in the previous application, what has changed that it will meet 100 PET scans in Year One, and 175 PET scan in Year Two of this proposed project? Please discuss.

The 2005-2006 utilization was lower in part because the hospital's radiologist at the time was not trained and willing to interpret PET studies, which were a less widely used modality at the time. The studies were sent to a remote source for interpretation; and there were frustrating delays in receiving results. Some physicians then began sending patients out of town for more rapid results. But also, the largest referrers to the PET at that time began to relocate to other States or retire in 2005 and 2006, so utilization was limited.

Today, PET has become a more widely used diagnostic tool. More service area physicians have indicated a desire to have the service, and/or to refer larger numbers of patients than was the case eight years ago. In addition, the hospital's current radiologist will provide rapid turnaround interpretation, and will initially provide validating over-reads, to ensure both speed and accuracy of interpretation.

e. Please provide a list of active STMC medical staff including board certifications.

The list we discussed by phone is attached at the end of the responses. It is a requirement of the STMC system that all the medical staff be Board Certified.

f. The applicant states "if for some reason no patients need to be scanned on a scheduled day of mobile service, then with notice on the day before service, the unit will not come to the hospital and no costs will be incurred". Please clarify what costs the hospital will incur (other than unused FDG) if a patient does not give notice and is a no-show, and the PET scanner comes to the hospital to deliver a service.

That situation is referenced in the third paragraph of the draft contract page headed "Additional Services:". It says "In the event that the scheduled procedure cannot be completed due to the 'no show' or patient cancellation at the time of procedure, Vendor shall not charge the Facility for the radiopharmaceutical." Nor would there be any other cost.

Page Four
February 25, 2014

5. Section B, Item II. C

a. Table four on page 17 indicates there will be eight monthly PET referrals from four (4) physicians from Crockett Hospital and one (1) monthly referral from a physician from Hillside Hospital. This represents 33% of the applicant's estimated monthly referrals which will come outside of the primary service area. Please clarify why Lawrence and Fayette counties are not in the primary service area. What is the distance between the applicant and Crockett Hospital?

Table Four lists the number of referrals that those physicians feel they could refer to the STMC PET service. Not all those patients will actually choose STMC over closer PET providers. Table Four simply demonstrated the STMC health system's medical staff need and support for re-opening mobile PET. It was not our patient origin projection.

STMC (a) projected *receiving* only 54% of the total estimated referrals; (b) projected that 84% of *those received* would be residents of Franklin and Grundy Counties (STMC's historic primary service area); and (c) in accord with HSDA practices, offered no patient origin projections from secondary service area counties. It is logical to assume that STMC's primary service area for PET will closely resemble its historic two-county primary service area, and that counties like Lawrence, Giles, and Fayette will generate very few referrals.

The reason is drive time. STMC is approximately 86 miles and ninety-two minutes' drive time from Crockett Hospital in Lawrenceburg, Lawrence County. It is approximately 63.1 miles and 68 minutes drive time from Hillside Hospital in Pulaski, Giles County (from Google Maps on 2-24-14 at 9:40 am).

b. Please provide letters from cardiologists stating the estimated monthly PET referrals to STMC.

STMC has both visiting and community-based cardiologists, and a cath lab that provides interventional procedures as well as diagnostic procedures. However, cardiologists tend to obtain cardiac PET scans on specialized Cardiac PET/CT units that are equipped with special software. The PET/CT unit that Alliance will bring to STMC is not equipped to perform cardiac scans; and no cardiologists' requests for local cardiac PET scans were received in initial medical staff surveys.

Page Five
February 25, 2014

c. Please verify that FP/IM stands for Family Practice/Internal Medicine.

Yes, it does.

d. Please complete the following table which indicates the projected number of patients served in Year One and Year Two by specialty:

Specialty	Year One	Year Two
Cardiology	0	0
Oncology	12	18
Neurology	65	80
Other	73	77
Total	150	175

Source: Hospital management and Radiologist.

6. Section B, Item II. E

a. The applicant states the proposed PET/CT scanner was manufactured in 2006 and the life of the equipment is 5 years. Please clarify the end date of the life of the equipment.

Estimating the "life" of major medical equipment that can be periodically upgraded and refurbished is very speculative. However, for this unit, five additional years was a reasonable estimate--meaning that CY2019 will be the next year when upgrading or replacement is expected.

b. The proposed unit will serve Williamson Medical Center in Franklin on Mondays, and is proposed to serve STMC in Winchester on Monday afternoons. What are the current hours of the mobile PET/CT scanner at Williamson Medical Center on Monday mornings, and the proposed hours for STMC on Monday afternoon? In addition, what is the distance between STMC and Williamson Medical Center?

Allied Imaging reports that the unit is on site at Williamson Medical Center Monday mornings from 7 AM until typically 11 AM, but not later than noon. Allied expects to be at STMC in Winchester and set up for patient service after 1 pm, but no later than 2 pm, on Monday afternoons.

Google Maps indicates that STMC is 84.5 miles and 88 minutes drive time from Williamson Medical Center.

Page Six
February 25, 2014

c. The Mobile PET/CT Imaging Services Agreement dated June 18, 2013 between LifePoint Hospitals, Inc. and Alliance HealthCare services, Inc. is noted. Please clarify how the proposed mobile PET/CT unit will be amended to the existing mobile PET/CT Imaging Services Agreement.

After CON approval is granted, LifePoint's legal staff will work with Alliance Imaging legal staff to amend the list of facilities covered by the contract. This is an established corporate contract, so needed amendments take place quickly.

7. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 1

The applicant refers to CPT codes in Section C (II) 6B. Please indicate where this is located in the application.

Section C(II) 6B is on page 48. The table with CPT codes is on page 49.

8. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 4

Please list referral agreements the applicant has with providers that offer as a minimum cancer treatment services, including radiation, medical and surgical oncology services.

The applicant believes that the wording of criterion 4 of the Guidelines makes it applicable not to hospital applicants, but rather to non-hospital applicants (e.g., physicians; ODC's).

As stated on page 25 of the STMC application, hospitals cannot refer patients. They do not have referral agreements with other hospitals. STMC has no referral agreements with other hospitals.

When patients need tertiary care facilities with more comprehensive oncology services, STMC physicians refer their patients themselves, to appropriate specialists based in oncology programs in Nashville, Chattanooga, Murfreesboro, and Columbia.

Page Seven
February 25, 2014

9. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 6.B

Please provide documentation from the vendor the mobile PET scanner complies with all applicable Federal standards, manufacturer's specifications, and licensing requirements.

Please see the letter from Alliance Imaging, attached after this page.

10. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 6.B

It is noted all hospitals have long-established protocols for dealing with emergencies. Since this is a new service, how will the applicant handle emergencies specific to the mobile PET/CT?

The draft protocols are attached at the end of the responses.

11. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 6.B
Please provide protocols that assure that all clinical PET procedures performed are medically necessary and will not unnecessarily duplicate other services.

The draft protocols are attached at the end of the responses.

12. Section C, Need, Item 1.a. (Service Specific Criteria (Specific Criteria, Positron Emission Tomography) Item 8.a

Please provide a brief summary of medically underserved areas in Franklin and Grundy counties. In addition, the referred attachment could not be located. Please provide.

The USDHS website for the Health Resources and Services Administration indicates that both counties are designated as medically underserved areas. Attached are the documentation pages from the website that were inadvertently omitted from the Attachments.



SUPPLEMENTAL- # 1

**February 26, 2014
4:15pm**

Leonard W. Marsh
Executive Vice President
Chief Operating Officer
Cell (607) 372-3233

February 24, 2014

RE: Medical Coaches Mobile P.E.T. Imaging
VIN #1M9A6A8257H022311
Date of Manufacturer April 19, 2007

To whom it may concern;

This is to certify the above referenced vehicle:

- Conformed to all applicable Federal Motor Vehicle Safety Standards in effect as of the date of manufacturer.
- Conformed to all applicable State of Ohio Motor Vehicle Safety Standards in effect as of the date of manufacturer.
- Conformed to all applicable State of Ohio manufacturing codes in effect on the date of manufacturer.

Sincerely,



Leonard W. Marsh

SEARCH

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Powered by the HRSA Data Warehouse

Find Shortage Areas: MUA/P by State and County

[Shortage Designation Home](#)**Find Shortage Areas**[HPSA & MUA/P by Address](#)[HPSA by State & County](#)[HPSA Eligible for the Medicare Physician Bonus Payment](#)**Criteria:**

State: Tennessee

County: Franklin County

ID #: All

Results: 1 records found.

Name	ID#	Type	Score	Designation Date	Update Date
Franklin County					
Franklin Service Area	03191	MUA	44.70	1978/11/01	

NEW SEARCH

MODIFY SEARCH CRITERIA



U. S. Department of Health & Human Services

SUPPLEMENTAL # 1

February 26, 2014

HRSA Data Warehouse | HRSA.gov 4:15pm

U. S. Department of Health and Human Services
Health Resources and Services Administration

Enter Keywords

SEARCH

☒ HRSA Data Warehouse ☐ HRSA.gov

Powered by the HRSA Data Warehouse

Find Shortage Areas: MUA/P by State and County

[Shortage Designation Home](#)**Find Shortage Areas**[HPSA & MUA/P by Address](#)[HPSA by State & County](#)[HPSA Eligible for the Medicare Physician Bonus Payment](#)**Criteria:**

State: Tennessee

County: Grundy County

ID #: All

Results: 1 records found.

Name	ID#	Type	Score	Designation Date	Update Date
Grundy County					
Grundy Service Area	03194	MUA	46.10	1978/11/01	

NEW SEARCH

MODIFY SEARCH CRITERIA

[Ask Questions](#) | [Viewers & Players](#) | [Privacy Policy](#) | [Disclaimers](#) | [Accessibility](#) | [Freedom of Information Act](#) | [USA.gov](#) | [WhiteHouse.gov](#) | [Recovery.gov](#)

Page Eight
February 25, 2014

13. Section C, Economic Feasibility, Item 4

Please clarify why management fees are designated as “fees to non-affiliates” in the Historical Data Chart, but are designated as “fees to affiliates” in the Projected Data Chart.

Those entries in the Historical Data Chart should have been entered on the affiliates line. Attached after this page is revised page 43R.

14. Section C, Economic Feasibility, Item 5.

Table Ten is noted. However, it appears the average gross charge per procedure is calculated incorrectly for Year One and Year Two. Please revise.

Attached after this page is revised page 47R correcting the data.

15. Section C, Economic Feasibility, Item 6.B.

**Please compares the gross charges per PET procedure/Treatment to gross charges provided by HSDA at the following web-site:
http://tennessee.gov/hsda/applicants_tools/docs/quartile-med%20equip.pdf**

Attached after this page is revised page 48R--with that comparison added (and Table Eleven amended to show the accurate STMC gross charge).

16. Section C, Economic Feasibility, Item 10.

Please indicate if the provided financial documents are audited.

STMC financial documents are not audited. LifePoint audits only the consolidated corporate financial documents.

17. Section C, Orderly Development, Item 1.

Please list hospitals the applicant has transfer agreements with.

The hospital has no current transfer agreements with other facilities.

HISTORICAL DATA CHART -- SOUTHERN TENNESSEE MEDICAL CENTER (COMBINED CAMPUSES)

Give information for the last three (3) years for which complete data are available for the facility or agency.

The fiscal year begins in JANUARY.

		CY 2011	CY 2012	CY 2013
	Admissions	5584	5453	4952
	Patient Days	31,240	30,451	27,985
A.	Utilization Data			
B.	Revenue from Services to Patients			
1.	Inpatient Services	\$ 121,975,752	144,493,600	143,398,088
2.	Outpatient Services	99,938,584	128,752,811	146,091,017
3.	Emergency Services	15,154,462	15,833,655	19,372,427
4.	Other Operating Revenue	365,416	384,804	420,987
	(Specify) _____			
	Gross Operating Revenue	\$ 237,434,214	\$ 289,464,870	\$ 309,282,519
C.	Deductions for Operating Revenue			
1.	Contractual Adjustments	\$ 163,795,679	208,222,192	226,838,899
2.	Provision for Charity Care	313,952	251,444	298,857
3.	Provisions for Bad Debt	8,434,637	9,949,063	11,193,175
	Total Deductions	\$ 172,544,268	\$ 218,422,699	\$ 238,330,931
	NET OPERATING REVENUE	\$ 64,889,946	\$ 71,042,171	\$ 70,951,588
D.	Operating Expenses			
1.	Salaries and Wages	\$ 20,403,612	23,506,468	23,688,572
2.	Physicians Salaries and Wages			
3.	Supplies	9,340,853	10,848,018	11,014,165
4.	Taxes	3,095,596	3,445,493	3,461,531
5.	Depreciation	2,770,701	3,132,595	2,965,143
6.	Rent	302,796	17,282	24,345
7.	Interest, other than Capital		0	
8.	Management Fees			
a.	Fees to Affiliates	2,640,924	2,716,848	2,883,672
b.	Fees to Non-Affiliates			
9.	Other Expenses (Specify) _____	15,052,098	18,197,255	15,856,338
	Total Operating Expenses	\$ 53,606,580	61,863,959	59,893,766
E.	Other Revenue (Expenses) -- Net (Specify) _____	\$ 0	\$ 0	\$
	NET OPERATING INCOME (LOSS)	\$ 11,283,366	\$ 9,178,212	\$ 11,057,822
F.	Capital Expenditures			
1.	Retirement of Principal	\$ 0	\$	\$
2.	Interest	737,354	643,391	378,152
	Total Capital Expenditures	\$ 737,354	\$ 643,391	\$ 378,152
	NET OPERATING INCOME (LOSS)			
	LESS CAPITAL EXPENDITURES	\$ 10,546,012	\$ 8,534,821	\$ 10,679,670

C(II).5. PLEASE IDENTIFY THE PROJECT'S AVERAGE GROSS CHARGE, AVERAGE DEDUCTION FROM OPERATING REVENUE, AND AVERAGE NET CHARGE.

Table Ten: Average Charges, Deductions, Net Charges, Net Operating Income		
	Year One	Year Two
Procedures	100	175
Average Gross Charge Per Procedure	\$3,796	\$3,796
Average Deduction from Operating Revenue per Procedure	\$2,516	\$2,500
Average Net Charge (Net Operating Revenue) Per Procedure	\$1,280	\$1,296
Average Net Operating Income after Expenses, Per Procedure	\$276	\$303

C(II).6.A. PLEASE PROVIDE THE CURRENT AND PROPOSED CHARGE SCHEDULES FOR THE PROPOSAL. DISCUSS ANY ADJUSTMENT TO CURRENT CHARGES THAT WILL RESULT FROM THE IMPLEMENTATION OF THE PROPOSAL. ADDITIONALLY, DESCRIBE THE ANTICIPATED REVENUE FROM THE PROPOSED PROJECT AND THE IMPACT ON EXISTING PATIENT CHARGES.

The service will operate with a positive financial margin at almost any level of utilization, so it will not impose any losses that could increase hospital charges. It will have a modest operating margin that will contribute to the overall viability of the hospital.

C(II).6.B. COMPARE THE PROPOSED CHARGES TO THOSE OF SIMILAR FACILITIES IN THE SERVICE AREA/ADJOINING SERVICE AREAS, OR TO PROPOSED CHARGES OF PROJECTS RECENTLY APPROVED BY THE HSDA. IF APPLICABLE, COMPARE THE PROJECTED CHARGES OF THE PROJECT TO THE CURRENT MEDICARE ALLOWABLE FEE SCHEDULE BY COMMON PROCEDURE TERMINOLOGY (CPT) CODE(S).

The projected average gross charge for this project is within the range of average gross charges for similar services that report to the HSDA Registry. Following is a sample of such projects in nearby service areas.

Table Eleven: Comparative Gross Charges Per Procedure STMC and Providers in Other Middle Tennessee Service Areas	
Provider	Average 2012 Gross Charge Per Procedure
Harton Regional Medical Center Tullahoma, Coffee County	\$6,100
Maury Regional Medical Center Columbia, Maury County	\$5,329
Tennessee PET Scan Center Murfreesboro, Rutherford County	\$3,584
United Regional Medical Center Manchester, Coffee County	\$2,659
<i>PROPOSED STMC PET/CT SERVICE Winchester, Franklin County</i>	<i>\$3,796 (CY2014)</i>

Source: HSDA Registry, 12/20/13 and 1/30/14.

The Registry also provides a Statewide compilation of gross charges per PET procedures. Its most recent data (12/6/13) indicates that STMC's proposed average gross charge of \$3,796 in CY2014 will be significantly less than the CY2012 median Statewide average gross charge of \$4,497.71, and only slightly higher than the CY2012 first quartile charge of \$3,667.96.

The following page contains a table showing the most frequent procedures to be performed, with their current Medicare reimbursement, and their projected Years One and Two utilization and average gross charges.

Page Nine
February 25, 2014

18. Section C, Orderly Development, Item 7 (b.)

Please indicate if the applicant will seek accreditation by the Intersocietal Accreditation Commission (IAC).

STMC does not expect to seek IAC accreditation for the PET/CT service. However, STMC will seek American College of Radiology (ACR) accreditation for the PET/CT. STMC already has ACR accreditation on its mammography, CT, MRI, Ultrasound, and Nuclear Medicine services. This additional information on accreditation has been added to revised page 56R, attached after this page.

19. Section C, Orderly Development, Item 7 (d.)

The latest licensure inspection on August 27-29 2012 at 629 Hospital Road, Winchester, TN is noted. However, please provide a copy of the latest licensure survey for Southern Tennessee Medical Center located at 185 Hospital Road, Winchester, TN 37398.

The submitted inspection is the most recent one for STMC. It was an inspection of the hospital's SNF unit, which was, and is, in the hospital at 185 Hospital Road. TDH erred in listing the address as 629 Hospital Road.

The hospital has been on "deemed" status for many years, meaning that the Joint Commission inspections are deemed sufficient by the TDH. The last TDH inspection STMC has for the whole hospital was in 1999, more than thirteen years ago.

Thank you for your assistance. We hope this provides the information needed to accept the application into the next review cycle. If more is needed please FAX or telephone me so that we can respond in time to be deemed complete.

Respectfully,



John Wellborn
Consultant

C(III).7(a). PLEASE VERIFY, AS APPLICABLE, THAT THE APPLICANT HAS REVIEWED AND UNDERSTANDS THE LICENSURE REQUIREMENTS OF THE DEPARTMENT OF HEALTH, THE DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, THE DIVISION OF MENTAL RETARDATION SERVICES, AND/OR ANY APPLICABLE MEDICARE REQUIREMENTS.

The applicant so verifies.

C(III).7(b). PROVIDE THE NAME OF THE ENTITY FROM WHICH THE APPLICANT HAS RECEIVED OR WILL RECEIVE LICENSURE, CERTIFICATION, AND/OR ACCREDITATION

LICENSURE: Board for Licensure of Healthcare Facilities
Tennessee Department of Health

CERTIFICATION: Medicare Certification from CMS
TennCare Certification from TDH

ACCREDITATION: Joint Commission; American College of Radiology

C(III).7(c). IF AN EXISTING INSTITUTION, PLEASE DESCRIBE THE CURRENT STANDING WITH ANY LICENSING, CERTIFYING, OR ACCREDITING AGENCY OR AGENCY.

The applicant is currently licensed in good standing by the Board for Licensing Health Care Facilities, certified for participation in Medicare and Medicaid/TennCare, and fully accredited by the Joint Commission on Accreditation of Healthcare Organizations. The applicant has American College of Radiology accreditation on its mammography, CT, MRI, Ultrasound, and Nuclear Medicine services.

Board Certification of Medical Staff Indicating Intent to Refer to PET/CT			
Physician	Hospital	Specialty	Board Certified
Dr. James Bell	Hillside	FP/IM	Board Certified in Family Practice
Dr. Gregg Shepard	Crockett	Oncology	Board certified in IM with subspeciality Oncology
Dr. Michael Boyd	Crockett	Surgeon	Board certified in Surgery
Dr. Norman McNaulty	Crockett	Neurology	Board certified in Neurology
Dr. Frank Rao	STMC	ENT	Board Certified in Otolaryngology
Dr. Raymond Capps	STMC	Neurology	Board certified in Neurology
Dr. Joanne Filchok	STMC	FP/IM	Board Certified in Family Practice
Dr. David Martin	STMC	FP/IM	Board Certified in Family Practice
Dr. Mat Petrilla	STMC	FP/IM	Board Certified in Family Practice
Dr. Louis Koella	STMC	FP/IM	Board Certified in Family Practice

Source: STMC Management

Current Status: Pending

**Southern
Tennessee**
MEDICAL CENTER

**Emerald
Hodgson**
HOSPITAL

Skilled Hands. Caring Hearts.

Effective Date: N/A
Last Reviewed Date: N/A
Last Revised: N/A
Expiration Date: 3 years after approval
Owner: John Howard: Director
Policy Area: Radiology
References:
Applicability: Southern Tennessee
Medical Center :
Southern Tennessee
Medical Center (lpnt-
southerntennessee)

SUPPLEMENTAL- # 1
PolicyStat ID: 769681
February 26, 2014
4:15pm

Imaging Orders for PET/CT (mobile or fixed)

All requests for cardiac PET CT procedures must be in compliance with current appropriate use criteria for PET CT studies published jointly and periodically updated by the American College of Cardiology and the American Society of Nuclear Cardiology.

No cardiac PET procedure will be completed without a documented request by a cardiology provider.

All requests for PET CT procedures must be in compliance with appropriate use criteria and approved by the Medical Director of Imaging with appropriate signed orders.

Mobile PET CT vendor will be responsible for the acquisition of images, transmission of images to PACS along with all notes, lab work, and physician's orders to be scanned into PACS at the completion of the study. The scanning of paperwork may be wholly or partially performed by STMC Imaging staff.

All PET CT reports will be read by board certified radiologists with appropriate PET CT training, transcribed and available via STMC HIS/RIS PACS systems in a timely manner.

All laboratory testing will be completed prior to FDG injection. All orders will be verified prior to injecting FDG. All STMC/EHH policy and procedures regarding patient testing and safety will be monitored for accuracy and compliance.

PET CT procedures shall be scheduled through the STMC/EHH Central Scheduling department at 931-967-8258.

All PET CT orders must include diagnosis, physician's signature, date and time to be valid.

Attachments:

No Attachments

	Approver	Date
	John Howard: Director	02/2014
	Heather Harper: COO	pending

Current Status: Pending

**Southern
Tennessee**
MEDICAL CENTER

**Emerald
Hodgson**
HOSPITAL

Skilled Hands. Caring Hearts.

Effective Date:
Last Reviewed Date:
Last Revised:
Expiration Date: 3 years after approval
Owner: John Howard: Director
Policy Area: Radiology
References:
Applicability: Southern Tennessee
Medical Center :
Southern Tennessee
Medical Center (lpnt-
southern.tennessee)

SUPPLEMENTAL- # 1

PolicyStat ID: 769785
February 26, 2014
4:15pm

Southern Tennessee Medical Center PET/CT Code Policy

CODE BLUE: Cardiac/Respiratory Arrest

PURPOSE:

To provide guidelines for effective resuscitation services.

POLICY:

Southern Tennessee Medical Center/Emerald-Hodgson Hospital provides cardiopulmonary resuscitation to all patients, families, visitors, and personnel who may exhibit cardiac, pulmonary, or cardiopulmonary arrest.

STMC/EHH recognizes that a consistent code response is important part of care regardless of the victim's location within the facility. All areas have access to the appropriate equipment that is placed strategically throughout the hospital.

Education and training is provided to healthcare providers as indicated. Licensed nurses and respiratory therapists are trained in basic care life support (BCLS). ACLS is recommended for respiratory therapist and required for nurses in specialty areas (ER, ICU, Childbirth Center and PACU). NRP is required for all Childbirth Center staff.

An order must be written in the patient's chart for a "Do Not Resuscitate" (DNR). All DNR patient's chart, MAR, and kardex will be marked with a red DNR sticker or written in red ink. Resuscitative efforts will be initiated and continued for ALL other patients/victims until a decision to stop has been made by the physician in charge.

The "Cardiac-Pulmonary Resuscitation Data Sheet" is utilized for documentation of all respiratory and/or cardiac arrests at STMC/EHH. This document must be complete and legible. The CPR data sheet is a part of the patient's permanent medical record.

The hospital's performance in resuscitative efforts is tracked by evaluating each event in which CPR has been performed. The nursing supervisor is responsible for documenting the evaluation of the resuscitation effort. The form for code evaluation attached as the last page of the cardiac-Pulmonary Resuscitation Data Sheet. Evaluation data is presented to the Performance Improvement Committee quarterly. Opportunities for improvement are identified and strategies implemented as indicated.

PROCEDURE: FOR CLINICAL AREAS:

- A. The healthcare provider identifies the code status of the victim.
- B. **CODE BLUE** is activated and called over the intercom system three times via the operator or other hospital personnel.
- C. The first responder initiates **CPR**.
- D. The healthcare provider brings the emergency equipment to the victim.
- E. The hospital wide code team responds to the area in which the code was called. the team consists of:
 - 1. ER Physician
 - 2. Respiratory Therapist
 - 3. Nursing Supervisor
 - 4. Members of the nursing staff (ER, ICU and MedSurg)
- F. The nursing supervisor, ICU nurse, or ER nurse assigns specific responsibilities to each member of the code team to perform during the code situation. They will direct the code team members until the physician arrives.

PROCEDURE: FOR NON-CLINICAL AREAS:

- A. Once a cardiac arrest has been established by a healthcare provider, the code system is activated by dialing '44'..
- B. **CODE BLUE** is activated and called over the intercom system three times via the Operator..
- C. The first responder initiates **CPR**.
- D. The hospital wide code team responds to the non-clinical area in which the code was called. The team has the same membership as in the clinical areas.
- E. After initial assessment and evaluation, the appropriate resuscitative measures will begin.
- F. Patient disposition will be determined per situation.
- G. Evaluation of effective code management interventions include but are not limited to:
 - 1. Effective airway management.
 - 2. Effective cardiac compression.
 - 3. Drug administration consistent with ACLS protocol.
 - 4. Defibrillation consistent with ACLS protocol/safety standards.

CODE 99 Pediatric Respiratory/Cardiac Arrest

PURPOSE:

To provide guidelines for effective resuscitation services for patients under the age of 8 years. Resuscitation guidelines are delineated in the Code Blue Policy for patients at or above the age of 8 years. (1-600-1.31)

POLICY:

Southern Tennessee Medical Center/Emerald-Hodgson Hospital provides cardiopulmonary resuscitation to all patients, families, visitors, and personnel who exhibit cardiac, pulmonary, or cardiopulmonary arrest.

STMC/EHH recognizes that a consistent code response is an important part of care regardless of the victim's location within the facility. All areas have access to the appropriate equipment that is placed strategically throughout the facility.

Education and training is provided to healthcare providers as indicated. Licensed nurses and respiratory therapists are trained in basic life support (BLS). Advanced Cardiac Life Support (ACLS) and Pediatric Advanced Life Support (PALS) are recommended for respiratory therapists and licensed nurses; and are required for nurses in the ED, ICU, and PACU. Neonatal Resuscitation Program (NRP) is required for all Childbirth Center staff.

Resuscitative efforts will be initiated and continued for ALL patients/victims until a decision to stop has been made by the physician in charge. An order must be written in the patient's chart for a "Do Not Resuscitate" (DNR). The patient's chart, MAR, and Kardex will be marked with a red DNR sticker or DNR will be written in red ink for all patients with a "Do Not Resuscitate" order in place.

The "Cardio-Pulmonary Resuscitation Data Sheet" is utilized for documentation of all respiratory and/or cardiac arrests at STMC/EHH. This document must be complete and legible. The CPR data sheet is a part of the patient's permanent medical record.

The hospital's performance in resuscitative efforts is tracked by evaluating each event in which CPR has been performed. The code evaluation form is attached as the last page of the Cardio-pulmonary Resuscitation Data Sheet. The nursing supervisor is responsible for documenting the evaluation of the resuscitation effort. Evaluation data is forwarded to the designated nurse manager for review and an analysis of the data presented to Committee quarterly. Opportunities for improvement are identified and strategies implemented as indicated.

PROCEDURE:

CLINICAL AREAS:

- A. **CODE 99**, followed by the appropriate Broselow designated color, and the location of the patient is called over the intercom system three times via the operator or other hospital personnel. The Broselow-designated color will be identifiable by the corresponding colored bracelet placed on the patient at time of admission.
If the victim is not a patient in the facility, Code 99 will be announced without a designated color.
- B. The first responder initiates CPR.
- C. Healthcare providers will bring the appropriate emergency equipment to the victim.
- D. The hospital-wide code team responds to the area in which the code was called. The team consists of:
 - a. ED Physician

- b. Respiratory Therapist
 - c. Nursing Supervisor
 - d. Members of the nursing staff (ER, ICU, and MedSurg)
- E. The nursing supervisor, ICU nurse, or ED nurse assigns specific responsibilities to each member of the code team to perform during the code situation. He/she will direct the code team members until the physician arrives.

NON-CLINICAL AREAS:

- A. **CODE 99**, followed by the appropriate Broselow-designated color, and the location of the patient is called over the intercom system three times via the operator or other hospital personnel. The Broselow-designated color will be identifiable by the corresponding colored bracelet placed on the patient at time of admission.
If the victim is not a patient in the facility, Code 99 will be announced without a designated color.
- B. The first responder initiates CPR.
- C. An Emergency Department team member responds to the code, bringing the appropriate emergency code equipment to the victim.
- D. A Respiratory therapist brings the oxygen tank to the victim.
- E. The hospital-wide code team responds to the non-clinical area in which the code was called. The team has the same membership as in the clinical areas.
- F. Evaluation of effective code management and interventions include but are not limited to:
 - a. Effective airway management
 - b. Effective respiratory management
 - c. Effective cardiac management
 - d. Drug administration consistent with the PALS protocol
 - e. Defibrillation consistent with PALS protocol/safety standards

Rapid Response Team

PURPOSE:

To provide early and rapid intervention in order to promote better outcomes such as:

- Reduced cardiac and/or respiratory arrests
- Reduced or more timely transfers to a higher level of care
- Reduced patient intubations
- Reduced number of hospital deaths

POLICY:

Rapid Response Team members have special training in detecting early signs of deterioration in patient conditions. 'Team One' will respond quickly to the patient room, treat the patient if appropriate, and contact the patient's physician to report the change of condition and plan further action.

Staff, a patient, visitors, or family member/ support person may activate Rapid Response Team by calling the operator to notify 'Team One' or ask a nurse to do so.

Indications for requesting the Rapid Response Team (RRT) may include:

- Clinician at bedside concerned or worried about the patient
- Acute or physiological change in the patient's medical condition
- Acute change in heart rate from baseline (less than 45 bpm or greater than 130 bpm) or dysrhythmias
- Acute change in systolic blood pressure from baseline (less than 90 mm/Hg or greater than 180 mm/Hg)
- Acute change in respiratory rate or breathing pattern (less than 8 or greater than 28) or threatened airway
- Acute change in oxygen saturation (level is less than 90% despite appropriate oxygen therapy)
- Acute change in level of consciousness or possible over-sedation
- Acute significant bleeding
- Acute change in oxygen needs requiring an FI_O₂ of 50% or greater
- Acute change in urinary output to less than 50 ml in 4 hours
- New, repeated, or prolonged seizures
- Failure of patient to respond to treatment for an acute problem/system
- Chest pain not relieved by prescribed orders
- Skin color change (pale, dusky, gray, blue)
- Sudden loss of movement or weakness of face, arms, legs (symptoms suggestive of CVA)

A. Structure

The team will consist of and Intensive Care Unit (ICU) RN, a Cardiopulmonary (Respiratory) Therapist (RT), and the House Supervisor (#16). At EHH the team will consist of ER RN, RT, and MedSurg Charge Nurse.

B. Roles and responsibilities

1. The ICU nurse provides clinical expertise, advanced assessment skills and support for the staff nurse and patient, as well as facilitates a more timely transfer to a higher level of care when needed.
2. The RT provides advanced respiratory assessment, immediate oxygen therapy, treatments, etc. as indicated.
3. The House Supervisor (#16) provides expertise in patient flow and facilitates proper bed placement or disposition of the patient as needed, and support for the patient's family.

C. Qualifications for the Rapid Response Team (RRT) Members

- D. Registered Nurse: At least one year critical care experience and Advanced Cardiac Life Support (ACLS) certification
- E. Certified or Registered Respiratory Therapist: At least one year experience and Advanced Cardiac Life Support (ACLS) certification

A. Rapid Response Team Assignment and Rotation

- B. Any time during a shift the assigned ICU nurse has a change in patient workload or acuity that will prevent him/her from functioning in this role she/he should notify the House Supervisor of the inability to respond and the need for another ICU nurse to be assigned to the team.
- C. If the ICU nurse has deferred responsibility, the house supervisor will perform the ICU nurse responsibilities or solicit assistance from other staff resources available.
- D. One Cardiopulmonary Therapist per shift will be designated as the RRT member.

1. This coverage will be maintained and provided 24 hours a day.

PROCEDURE:**Page Overhead**

- A. The RRT can be reached by paging "Team One" and indicating the room location.
- B. Once the page is announced, the RRT should respond to the appropriate room/area immediately.
- C. Staff Nurse Responsibilities:
 1. Provide background information to the RRT on the patient and his/her condition.
 2. Remain in the room and be a key member assisting in the patient's care and interaction with the family/significant others.
 3. Have information available for the team, such as the chart, medication administration record (MAR), previous assessments, current vital signs, advanced directive information, etc.
- D. ICU Nurse Responsibilities (at EHH ER RN fills this role)
- E. Obtain the RRT supply bag from ICU and take to patient's bedside. This bag will include the equipment needed for initial interventions and appropriate documentation forms for the RRT members.
- F. Receive report from the primary nurse to obtain the situation and background along with performing a patient assessment and providing recommendations (SBAR approach*).

*SBAR Approach to Patient Care:

Situation
Background
Assessment
Recommendation
- G. Assist with further assessment of the patient utilizing the RRT Assessment Record (see attached)
- H. Contact attending physician
- I. Administer appropriate treatment
- J. Assist and/or facilitate with transfer as indicated
- K. The ICU nurse will stay with the patient until stable or assist with the transfer of the patient to a higher level of care.
- A. Cardiopulmonary (Respiratory) Therapist Responsibilities
 - B. Assess the patient and provide appropriate treatment and ventilatory support
- A. House Supervisor (#16) Responsibilities (at EHH MedSurg charge nurse fills this role)
 - B. Arrange for patient to be place in a higher level of care as indicated
 - C. Ensure documentation is complete along with ensuring appropriate physician is notified as indicated
 - D. Complete the RRT/Code Blue log in the Nursing Supervisor's office.

- A. If the patient is in an area that requires transport to the Emergency Department for treatment (Senior Advantage), the House Supervisor will contact the ED with the patient information, and the RRT will transport the patient.
- B. Emergency Department physician will be called as a consult **PER THE REQUEST OF THE PRIMARY CARE PHYSICIAN WHEN THE PRIMARY CARE PHYSICIAN IS UNAVAILABLE** and the patient condition is quickly deteriorating.
- C. The RRT should respond in a professional manner and provide non-judgmental and non-punitive feedback to the person that initiated the call.
- D. This record is to be completed and signed by the RRT members. The original is placed on the chart and copies are to be forwarded to the ED Manager.

PERFORMANCE REVIEW:

- A. The staff member requesting the RRT will complete the RRT Requestor Evaluation Form and forward to the ED Manager.
- B. Each member of the RRT responding will complete the RRT Team Member Evaluation Form and forward to the ED Manager.
- C. The RRT coordinators will meet monthly to review collected data for changes and improves with the process.
- D. This information gathered from the evaluation forms will be trended and presented with the facility's Performance Improvement.

Bomb Threat – "Code Bob"

PURPOSE:

To educate and to provide guidelines for Southern TN Medical Center and Emerald-Hodgson Hospital in the event of a bomb threat.

POLICY:

To establish guidelines for the hospital personnel in the event of a bomb threat. Training is provided to hospital personnel in the form of presentation and drills.

PROCEDURE:

A. BOMB THREAT – "CODE BOB"

A. Action to be Taken by Person Receiving Threat:

1. Notification:

- a. The person first receiving threat should **IMMEDIATELY NOTIFY** Administration at **ext 8263** and the Director of Plant Operations at **ext 8199**. Notification will be made at home if necessary. Administration organizes search team according to number of persons in scene.
- b. The incident should be discussed only with Administration and personnel who are directly involved.

2. Threat By Mail:

When the threat is received by mail, the letter should be protected as much as possible from handling to facilitate examination for fingerprints.

3. Threat By Phone:

4. When a threat is received by telephone, it will most likely be brief. Information received from the caller should be documented immediately.
5. Research into this subject has shown that the call should not be transferred, and that the following questions should be asked in this exact sequence to obtain the most information:
 1. What is the exact location of the bomb?
 2. At what time will detonation take place?
 3. Will you give us a description of the explosive or container?
 4. What type of explosive is being used?
 5. What is the reason for the call or threat?
6. If possible get another person on the line to listen and make notes for future references. Additional items to be noted which may be helpful to the police are:
 7. Date and time of call.
 8. Exact language used.
 9. Estimated age and sex of caller.
 10. Peculiar or identifiable accent.
 11. Possible race of caller.
 12. Emotional state of caller (calm, angry, excited, etc.).
 13. Identifiable background noises such as train's, music, etc.

B. Activation of Plan:

Upon notification that a bomb threat has been made, the Administrator or his designee will:

- C. Activates Bomb Threat Plan by alerting departments by announcement over the public address system and/or telephone **"CODE BOB"**.
- D. Activates Command Post In Administrator's Office.
- E. Makes plans for evacuation of patients should the threat dictate this action. If the evacuation of an area or the entire building is necessary, notice will be announced over the public address system using **"CODE BOB – EVACUATION (area and floor given)"**.
- F. When search is ended and normal operations are to resume – issues instructions to telephone operator to announce over the public address systems that **"CODE BOB – IS ALL CLEAR"**.

B. Departmental Responsibilities:

C. Plant Operations Director or Designee:

- D. Immediately notifies the police, fire department, and sheriff's department.
- E. Alerts and deploys personnel as required to:
- F. Seal off the danger area if known.
- G. If danger area is not known, establish a danger area perimeter and restrict personnel from the area.

- H. Establish check of personnel and packages coming into the building.
 - a. Plant Operations will work closely with police authority on the scene.
 - b. Maintain liaison with Command Post.
 - c. Organizes and maintains manual control of all elevators, restricting to emergency use only.
1. **Environmental Services Director or Designee:**
 2. Assigns personnel to search all public areas such as waiting room, lounges, restrooms, stairways, and telephone booths.
 3. Maintains liaison with Command Post.
1. **Nursing Service or Designee:**
 2. Remains at posts and carries on duties in a manner that will prevent alarm among patients.
 3. Searches patient room if **"Code Bob"** is paged.
 4. Evacuates patients if necessary.
1. **Switchboard Operator or Designee:**
 2. Makes announcements over the public address system as directed by the Command post, using the following terminology:
 3. **"CODE BOB – IS UNDERWAY"** – To alert staff of bomb threat and initiate search procedure. Operator will repeat three times.
 4. **"CODE BOB – IS ALL CLEAR"** – To notify staff that search is ended and normal operations are to resume.
 5. **"CODE BOB – EVACUATE"** (give floors and areas) - To notify staff of areas to be evacuated.
 - a. Refers any inquires from news media, etc., to Command Post. Carriers out further instructions or directions from the Command Post.
1. All Departments:
 2. Upon receiving notification of a bomb threat over the public address system or by telephone call from the command post, the department head or person in charge:
 3. Immediately initiates an organized search of their department area.
 4. Calls the command Post advising name of person in charge, time search initiated, and telephone extension being used.
 5. Reports immediately to the Command Post the findings of any suspicious objects.
 6. Advises Command Post when search of department area has been completed.
 7. Remains by the telephone to receive instructions from the Command post until **"ALL CLEAR"** is sounded.
- A. **Search Concept:**
 - B. Experiences have shown that personnel working the building are the logical persons to search the premises, as they are most familiar with the area. The police department will always assist with an evacuation and/or search, but they cannot be expected to guarantee that a building is clear by devices.

- C. Since bombs may be disguised, and may or may not be concealed, the thoroughness of search and its ultimate success will depend upon the skill of the searchers and ingenuity of the bomber. To appreciate some of the variables involved, it should be noted that the searchers may be building occupants, supervisors, maintenance men, or trained search teams. The bomber may be a psychotic, or a highly trained professional saboteur or assassin.
- D. The concept of search to be employed under this plan is that each department will search their own area of responsibility. Associates of a department are familiar with the area and can more easily spot any foreign object that might be a bomb or explosive device. A detailed search should be made of each room with specific assignment of areas to insure thoroughness of search and to minimize confusion and duplication.

A. Search Procedure:

- B. The command post should be notified immediately if an object is discovered that is foreign to the area and which could be a bomb or explosive device. It should not be touched or disturbed in any way. The Command Post will contact the Police department for explosive ordinance demolition team to examine the object.
- C. All persons should be quickly requested to leave the area of danger.
- D. The danger area will be closed off.
- E. Evacuation of patients will be accomplished through a procedure and under the guidance of Nursing Service or designee. Fire doors should be closed as the area is evacuated.
- F. Safety areas for evacuated personnel and danger area perimeter will be designated by a Police official, the Administrator, or Director of Maintenance.
- G. The Command Post will request directly or through the Police commander for fire department equipment to come in on a "Silent Alarm" for standby duty in the event of an explosion and fire.
- H. After danger area is closed off and evacuated, personnel will stand by on alert status until explosive disposal units arrival and "**ALL CLEAR**" is announced.

A. Return to Normal Operations:

- B. When the search is ended and normal operations are to resume, the Administrator or designee will instruct the switchboard to announce over the public address system that "**CODE BOB – IS ALL CLEAR**".
- C. Under the direction and guidance of Nursing Service or designee evacuated patients will be returned to their rooms and should be assured that there is no further danger.
- D. Associates will return to duty and make check of equipment, etc., and immediately report and damaged or missing items to their supervisors.
- E. All inquiries from news media should be referred to Administrator or designee. The incident should not be discussed with outsiders.

A. AUTHORITY STATEMENT:

Authority and direction is granted to Chief Executive Officer (CEO) or designee, in cooperation with the Safety Committee. The Chief Executive Officer (CEO) or designee of the hospital will assess the extent of the bomb threat and implement when there is potential danger to either patients or personnel.

February 26, 2014
4:15pm**BOMB THREAT – "CODE BOB"****PHONE THREAT QUESTIONNAIRE**

If threat is received over the phone, it will most likely be brief information from the caller, document immediately the following questions in order if possible:

Employee Name: _____ **Date:** _____ **Time:** _____

Questions to Ask Caller:

1. What is the exact location of the bomb? _____

2. At what time will detonation take place? _____

3. Will you give us a description of the explosive or container? _____

4. What is the reason for the call or threat? _____

5. What type of explosive is being used? _____

Questions to Ask Yourself:

1. Exact language used? _____

2. Estimated age and sex of caller? _____

3. Peculiar or identifiable accent? _____

4. Possible race of caller? _____

5. Emotional state of caller (calm, angry, exited, etc.)? _____

6. Identifiable background noises (planes, trains, automobile, music, etc)? _____

Code Assist - Security Incident**PURPOSE:**

To establish procedures for procuring additional staff in a hostile or potentially hostile situation involving patients or visitors.

POLICY:

It is the policy of Southern TN Medical Center/Emerald Hodgson Hospital to attempt to provide protection for any person(s) who is jeopardized due to potentially hostile situation.

PROCEDURE:

1. **CODE ASSIST:**

- A. After verbal interaction and other less restrictive measures have been attempted the situation is immediately threatening and concurrent to those measures being taken, a code assist may be called to the operator at ext. 44.
- B. The operator will page "Code Assist – Location and Department" on the overhead speaker system three times.
- C. Less restrictive measures to manage the situation should continue unless there is a physical threat to staff, in which case they should keep a safe distance from the violent or threatening individual. Seclusion may be effective, in calming a hostile individual.
- D. During routine business hours (8:00 AM – 5:00 PM, Monday – Friday) Plant Operations, acting Nursing Supervisor, non-acting Nursing Supervisor, all Charge Nurses, all male hospital employees and Security personnel should report immediately to the announced location. A show of force and manpower is an attempt to diffuse the hostile patient or visitor. If the hostile person is a visitor, dialing "911" at the Security Director or Nursing Supervisor discretion should summon the police. The police may also be summoned as well for patients.
 - A. Staff should not leave their area if patient care will be put in jeopardy.
- E. During other hospital hours and holidays, all male hospital staff as well as acting and non-acting Nursing Supervisor and Charge Nurses should respond. If there seems to be inadequate staff call 911 immediately.
- F. When the situation has been diffused, the Security Director or Nursing Supervisor shall call the hospital operator and have her announce "Code Assist – All Clear".

Code Assist - Security Incident

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- A. Staff should not leave their area if patient care will be put in jeopardy.
- E. During other hospital hours and holidays, all male hospital staff as well as acting and non-acting Nursing Supervisor and Charge Nurses should respond. If there seems to be inadequate staff call 911 immediately.
- F. When the situation has been diffused, the Security Director or Nursing Supervisor shall call the hospital operator and have her announce "Code Assist – All Clear".

Fire (Code Red)

PURPOSE

To present fire plan for The Rehab Center

PROCEDURE

The Imaging Center has a fire alarm and sprinkler system. When either is activated, the Dechard Fire Department is notified automatically by the fire control system after calling our premises first to confirm.

1. Location of pull alarms and fire extinguishers: Pull alarms are located by the front entrance in the lobby and at the rear entrance by the time clock. Fire extinguishers are located in the kitchen and in the electrical room at the rear of the building.
2. IN THE EVENT OF A FIRE:
 - A. Verbally notify another staff member by stating "Code Red" and location.
 - B. Follow the R-A-C-E procedure
 1. R "Rescue"Rescue anyone (patients, visitors, staff), in immediate danger
 2. A "Alarm"Pull the nearest Fire Alarm Pull Station and call 911 to report exact size, type, and location of fire.
 3. C "Confine"Confine the fire by closing the door to the area in which the fire emergency occurs, to contain it and thus, prevent the spread of fire and smoke.
 4. E "Extinguish" Using a fire extinguisher – extinguish fire until fire department arrives
3. While staff members are fighting the fire with the fire extinguishers, other staff will complete their duties as assigned in the fire plan.

DUTIES OF INDIVIDUALS FOR FIRE PLAN

1. SECRETARY DUTIES

- A. Call local fire department
- B. Page "Code Red" over the intercom system
- C. Call switchboard at hospital
- D. Warn adjoining businesses

After you have notified the fire department, alert Imaging Center staff by announcing three times of the intercom system "Code Red – and the exact location of the fire".

Notify all incoming callers that all lines are busy, and ask them to please call back in fifteen (15) minutes. Remain calm. Do not indicate to an outside caller that any emergency exists

unless the caller is a member of the fire department.

If the telephone system is affected, use your cell phone.

Refer all calls from newspaper, radio, or TV to the administrator, 967-8263.

Note: In the event the secretary is not available the lead therapist will assume the secretary duties and assign another staff member to do lead therapist duties.

2. ADMINISTRATIVE: (Imaging Director)

The Imaging Director will direct the overall operation. The secretary will handle problems and special situations between the fire site and the Imaging Director or Administrator's office.

3. Imaging STAFF

4. The person finding the fire should initiate the RACE procedure.

5. Two remaining staff members should bring the fire extinguishers from their locations in the kitchen and electrical closet.

6. The technologist not fighting the fire should initiate evacuation of visitors and patients, and prepare to meet the fire department to direct them to the fire. The therapist evacuating patients should get the appointment books to verify that all patients are accounted for in the evacuation.

7. Lead Technologist will double-check all rooms before evacuating the building.

8. EMERGENCY DEPARTMENT

The ER Nurse will be notified and alerted to the possibility of transferring of any patients.

Code Assist

PURPOSE:

To establish procedures for procuring assistance in a hostile or potentially hostile situation involving patients or visitors.

POLICY:

It is the policy of The Imaging Center to attempt to provide protection for any person(s) who is jeopardized due to a potentially hostile situation.

PROCEDURE:

1. CODE ASSIST

A. After verbal interaction and other less restrictive measures have been attempted or when the situation is immediately threatening and concurrent to those measures being taking a code assist may be paged by any staff.

B. The staff member will page "Code Assist – Location" on the overhead speaker system three times.

C. Less restrictive measures to manage the situation should continue unless there is a physical threat to staff, in which case they should keep a safe distance from the violent or threatening individual. Seclusion may be effective, in calming a hostile individual.

D. During routine business hours (7:00 AM – 5:00 PM, Monday – Friday) all male employees should report immediately to the announced location. If no male employees are present at the time, the police should be summoned by dialing "911."

E. If the police are summoned, the Imaging Secretary will contact the administrator and the Imaging Director, as soon as it is safe to call.

Severe Weather – "Code Black"**PURPOSE:**

To educate and to provide guidelines for The Imaging Center in the event of severe weather.

POLICY:

To establish guidelines for the Imaging Services personnel in the event of severe weather. Training is provided to Imaging Services personnel in the form of presentation and drills.

PROCEDURE:**1. GENERAL PROCEDURES FOR A POTENTIAL SEVERE WEATHER EVENT:**

- A. Severe weather will be monitored by the switchboard operator (via internet and NOAA Weather Radio). Severe weather is defined as the possibility of tornado, hail storm, and straight line winds.
- B. The switchboard operator will institute the severe weather plan per the P.A. system, when a severe weather warning has been issued in any of the counties surrounding Franklin County. The switchboard operator will page "May I have your attention please – Code Black Alert. When an actual warning has been issued for Franklin County, the Rehab Secretary will page "May I have your attention please – All staff Code Black Warning.

2. GENERAL PROCEDURE DESCRIPTION FOR SEVERE WEATHER EVENT:

- 3. Threatening weather will prompt the switchboard operator to announce "Code Black Alert".
- 4. Code Black Alert will initiate the Code Black Plan.
 - 1. "Code Black Alert" will allow time for the essential items to be implemented. They are:
 - a. Move all equipment carts not in use into a room.
 - b. Move all rolling stools and rolling tables into rooms or offices
 - c. Alert visitors to the potential for severe weather.
 - d. Close all blinds.
 - e. Open all office doors.
 - 2. **Code Black Warning:**
 - 3. Ask all visitors, patients, and staff to move to the main hallway
 - 4. Post note on Imaging Window informing anyone entering clinic that severe weather is in the area and all patients are in the main hallway.
 - 5. Give all patients, visitors, and staff a pillow to protect their head.

1. SHOULD A DIRECT HIT OCCUR:

- 2. In the event of a direct hit by a tornado or straight-line winds, the Imaging Center will:
- 3. Utilize the daily scheduling log to ensure that all patients are accounted.
- 4. Evacuate the building, taking patient and staff to the nearest safe location.
- 5. Dial "911" to summons emergency help.
- 6. Call hospital administrator and Director of Imaging Services and inform them of the extent of damage.
- 7. Call Emergency Department and inform them of any injuries.

**February 26, 2014
4:15pm**

8. If possible, secure any confident patient information in a safe, and secure place.
1. Once all patients are transported to emergency room to be assessed and confidential information has been secured, all staff should report to the Imaging Department at STMC to assist with Disaster Plan.

Attachments:

No Attachments

		Approver	Date
		John Howard: Director	02/2014
		Heather Harper: COO	pending

COPY

FEB 26 10:41:12

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF DAVIDSON

NAME OF FACILITY: Southern Tennessee Medical Center (PET/CT)

I, JOHN WELLBORN, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

John L Wellborn
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 26 day of FEBRUARY, 2014, witness my hand at office in the County of DAVIDSON, State of Tennessee.

[Signature]
NOTARY PUBLIC

My commission expires 1-11, 17.

HF-0043

Revised 7/02

